

2024

Sustainability Report

兆豐金控
Mega Holdings

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About this Report

Mega Financial Holding Co., Ltd. (Mega Financial Holding) issued its first CSR Report in 2014. In line with the "Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" of the Taiwan Stock Exchange (TWSE), the 2021 version released in 2022 was officially renamed the Sustainability Report. The Report has been publicly issued every year for 12 consecutive years and can be downloaded from the Corporate Sustainability section of the official website.

Reporting Period

Mega Financial Holding publishes the Sustainability Report in both Chinese and English every year. This Report will be published in July 2025, disclosing Mega Group's performance in the environment, society, and corporate governance aspects for 2024 (January 1 to December 31, 2024, the same reporting period as the financial report) to provide important sustainability information required by stakeholders. For better comparison of information, some information is not limited to the current year. This Report will be disclosed publicly after approval by the Board of Directors. If there is any restatement of information (such as adjustments of the base year or change of data), a note with the explanation will be added to the pertaining data and paragraphs.

Reporting Scope

This report is based on the principle of consolidated financial statements and covers the global operations, including Mega Financial Holding and its seven subsidiaries, which are Mega International Commercial Bank Co., Ltd. (Mega Bank), Mega Securities, Mega Bills, Chung Kuo Insurance (CKI), Mega International Investment Trust Co., Ltd. (Mega Funds), Mega Asset Management (MAM), and Mega Venture Capital (MVC). Information regarding social inclusion covers the Mega International Commercial Bank Cultural and Educational Foundation and Mega Charity Foundation. If there are inconsistencies in the scope, a note with the explanation will be added to the pertaining data and paragraphs.

Reporting Principles

Issuer	Criteria
The Global Reporting Initiative (GRI)	– GRI Universal Standards 2021
Taiwan Stock Exchange (TWSE)	– Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies – Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies
United Nations (UN)	– Sustainable Development Goals (SDGs) – United Nations Global Compact
Sustainability Accounting Standards Board (SASB)	– Industry Standards - Commercial Bank
Financial Stability Board (FSB)	– Task Force on Climate-related Financial Disclosures (TCFD)
United Nations Development Programme (UNDP)、United Nations Environment Programme Finance Initiative (UNEP FI)、WWF (World Wildlife Fund)、Global Canopy	– Task Force on Nature-related Financial Disclosures (TNFD)
International Organization for Standardization (ISO)	– ISO 26000: 2010 Guidance on Social Responsibility

Note : See Appendix 9.2 Sustainability Standards Index Table for the chapters and page numbers corresponding to the Reporting Principles in this Report.

Reporting Quality

Category	Standard	Certifying/Assurance Organization
Sustainability data	– Statement of Assurance Principles No. 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (based on International Standard on Assurance Engagements ISAE 3000)	• Deloitte & Touche
Financial data	– Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards	• PwC
Environmental data	– ISO 14064-1: 2018 GHG Inventory at the Organization Level – ISO 14067: 2018 Carbon Footprint Standard	• DNV • ARES • SGS Taiwan
	– ISO 14001: 2015 Environmental Management Systems – ISO 50001: 2018 Energy Management Systems – ISO 20400: 2017 Sustainable Procurement Guidance	• BSI Taiwan • SGS Taiwan
Social data	– BS 10012: 2017 Personal Data Management Systems – ISO 27001: 2022 Information Security Management Systems – ISO 27701: 2019 Privacy Information Management Systems – ISO 22301: 2019 Business Continuity Management	• SGS Taiwan
	– ISO 10002: 2018 Customer Satisfaction Quality Management Systems – ISO 45001: 2018 Occupational Health and Safety Management Systems	• BSI Taiwan

Feedback

If you have any questions or suggestions about the contents or activities of the report, please feel free to contact us.

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Fax: +886-2-3393-8755
E-mail: esg@megaholdings.com.tw
Sustainability Section:
https://esg.megaholdings.com.tw/frontend

Mega Financial Holding website

Mega Sustainability Section

Sustainability Report

Management Procedures

Data Collection and Compilation

Mega Financial Holding and subsidiaries provide the draft content, which is then confirmed by the unit supervisors and then collected and compiled by the working groups under the Sustainable Development Committee. After review by the conveners of each group, Mega Financial Holding's Sustainable Development Department integrates and compiles the draft.

Internal Review

The Sustainable Development Committee (2025.5.6) and the Board of Directors (2025.5.20) will review and approve the draft content.

External Verifications

Mega has commissioned Deloitte & Touche (Taiwan) to conduct independent limited assurance on this Report in accordance with the Statement of Assurance Principles No. 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation. The CPA's independent limited assurance report can be found in: Appendix 9.3 Verification Statement by External Independent Parties.

External Disclosure and Reporting

After the final draft is edited, it is publicly disclosed on the external website of Mega Group and the TWSE Market Observation Post System.

Message from the Chairman

Mega Financial Holding has long focused on international climate change issues and is committed to promoting corporate sustainable development. By introducing ISO management systems and international sustainability-related standards, as well as through compliance and participation in international norms and initiatives, we lead the sustainable transformation of the industry through our core financial businesses. In 2024, Mega Financial Holding continued to provide comprehensive financial services and advance our digital transformation development. Our cumulative net profit after tax for the whole year reached a new high of nearly NT$34.766 billion, with an annual growth of 4.6% and earnings per share (EPS) of NT$2.35. To strengthen the Group's ESG governance structure, the Sustainable Development Committee was re-adjusted to a functional committee under the Board of Directors at the end of 2024, with the Chairman of Mega Financial Holding serving as the Chairperson and more than half of the members are independent directors, as to implement sustainable governance from top to bottom.

Actively Engaging with Investment and Financing Clients to Promote Sustainable Finance

In response to the government's 2050 Net-Zero Emissions target, we passed the SBTi targets in 2024 and accomplished the Coalition of Movers and Shakers on Sustainable Finance commitments. Mega Financial Holding has formulated the Engagement Policy where its subsidiaries strengthen communication and engagement with investment and financing clients through various channels. From SBTi, biodiversity, to natural resources, we can gain a thorough understanding of investment and financing clients' development progress and risk improvement situation with regards to sustainability issues. Mega Bank has also actively organized a series of ESG seminars to proactively guide corporate clients towards industrial transformation. Through the "Moving to Industrial Parks with Mega" project, we provide funding to help companies accelerate low-carbon and smart development and promote industrial transformation and upgrading. In addition, Mega Financial Holding has formulated and is pledged to the Anti-Greenwashing Declaration, which has been signed by the heads of each subsidiary. An internal control or risk management mechanism has been established by adding items to the internal checklist or self-assessment checklist, as to avoid misleading the judgments of financial consumers, investors or other market participants.

Combating Financial Fraud and Protecting Customer Trust

To comprehensively prevent fraud and combat financial crimes, the Mega Group continues to strengthen its anti-fraud measures. In addition to anti-fraud activities such as "Promoting Financial Literacy on Campuses and Communities" and the "Anti-fraud promotional campaign throughout 368 townships across Taiwan by financial institutions" sponsored by the Bankers Association, the Group has also formed the "Financial and Technology Anti-Fraud Alliance" with eight other public banks and technology companies to combine the strength of the financial and technology sectors to combat financial fraud and jointly protect the public. In 2024, Mega Bank won the special award "Financial Inclusion Promotion Award - Fraud Prevention" at the 12th Outstanding Financial Business Elite Awards and was the only public financial institution to receive this special award. Mega Bank also took the lead among its peers in creating a senior- and dementia-friendly service for its customers. At the end of 2024, 108 branches of Mega Bank across Taiwan had become a qualified "Dementia Friendly Organization", and more than 3,000 trained branch staff had become "Dementia Friendly Angels".

Striving Towards Net-Zero to Implement Environmental Sustainability

Mega Group has achieved its carbon reduction goals in operations by continuously introducing various international ISO standards and green building solutions. In 2024, Mega Bank introduced the ISO 20400 Sustainable Procurement Guidance for the first time, promoted the use of renewable electricity in its self-operated office buildings, and encouraged subsidiaries to participate in energy and waste reduction competitions, among other practical actions, to improve the environmental and energy management efficiency of its operations. In addition, the Climate and Environmental Report released in 2024 brought together the Task Force on Climate-Related Financial Disclosures (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD), and International Financial Reporting Standards (IFRS) S2 Climate-Related Disclosures frameworks for the first time, and obtained the highest-level certification of "TCFD Performance Assessment - Pioneer" from SGS Taiwan. Mega Group has achieved Leadership Level in the CDP Climate Change Questionnaire for 3 consecutive years and has been rated the highest level of "A". Mega Group also received the 6th "National Enterprise Environmental Protection Bronze Award" organized by the Environmental Protection Administration of Executive Yuan.

Enhancing the DNA of Sustainability and Implementing Employee Care

Through employee engagement surveys, human rights due diligence surveys, labor-management meetings, etc., Mega Group works together to create a happy enterprise for both the labor and management side. We hope that our employees are not only professional but also enjoy their work. We encourage our employees to grow continuously by organizing various education and training courses or providing professional certification subsidies. We also continually provide diverse benefits and high salaries. To enhance Mega Group's sustainability DNA, Mega Financial Holding and its subsidiaries organized at least one ESG education and training session in 2024. We also encourage our employees to obtain the "Sustainable Finance Certificate" from the Taiwan Academy of Banking and Finance, highlighting the priority we place on nurturing talent for sustainability. Mega Group has been included in the Taiwan Employment Creation 99 Index and Taiwan High Compensation 100 Index for 10 consecutive years. In 2024, we responded to CommonWealth Magazine's "TALENT, in Taiwan - Taiwan Talent Sustainability Action Alliance," and won the "Commonwealth Magazine's Excellence in Corporate Social Responsibility Awards" and was ranked among the top 10 in the financial industry group of large enterprises in the "Commonwealth Magazine's Talent Sustainability Award Selection" of the year. Mega Group also won the Taipei City Government's Silver Award for "Workplace Gender Equality Certification".

Promoting Financial Inclusion for Mutual Prosperity in Society

Mega Group has been committed to social participation for a long time. In 2024, it continued to promote the "Mega Brings Light to Remote Areas" project, combining financial functions to improve the lack of resources in remote communities. The project provides bilingual teaching experience programs for ATMs and banking equipment in remote communities, which simulate real financial transactions and promote the revitalization of financial assets and equipment. Through the resources and strengths of Mega Charity Foundation, Mega Bank C&E Foundation, and each subsidiary, we hope to provide more care and tangible support to education, sports, arts and culture, and disadvantaged groups by focusing on the four main pillars of development to enhance financial inclusiveness: "Care for the Disadvantaged", "Cultural Heritage", "Financial Education", and "Eco-Sustainability". In 2024, volunteer services focused on three major categories: "removal of invasive species", "care for the disadvantaged and the elderly", and "anti-fraud promotion for all ages". We also consolidated the locations of subsidiaries in across counties and cities with volunteer activities to enhance the diversity of charity and public welfare activities.

Strengthening Sustainability Disclosure Quality and Commitment to Corporate Governance

Through the diverse professional background of the Board of Directors, we have been selected as a constituent of the "TWSE Corporate Governance 100 Index" for 6 consecutive years. We have adopted the International Financial Reporting Standards (IFRS) in phases to improve the quality and transparency of sustainability information reporting and establish corporate sustainable value. In 2024, Mega Financial Holding was selected as a constituent stock of both the "DJSI Emerging Markets Index" and "DJSI World Index," and the FTSE4Good "TIP Taiwan ESG Index," as well as received "AA level on MSCI ESG Rating." These achievements show that the world recognizes Mega Group's efforts in corporate governance.

In the face of future challenges, Mega Financial Holding will continue to uphold the mission of "spreading positive influence and leading the way to sustainable development", abide by the values of "respect and inclusion, professionalism and reliability, integrity and accountability" when carrying out business activities, fulfill its commitments to the natural environment, society, investors, customers and company operations, and shape a corporate culture of sustainability to keep pace with global sustainability trends, thereby realizing its vision of becoming the "Sustainability Paradigm of the Financial Industry in Asia Pacific".

Mega Financial Holding Chairman



Awards and Accolades

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Selected as a constituent stock of the DJSI Emerging Markets Index and DJSI World Index for 3 consecutive years

CDP A List 2024

Achieved Leadership Level in the CDP Climate Change Questionnaires for 3 consecutive years

MSCI

Received MSCI ESG Index rating of AA level for 3 consecutive years

SUSTAINALYTICS

Included in the Global Top 50, regional, and industry lists of the Sustainalytics ESG Risk Ratings for the first time

FTSE4Good TIP Taiwan ESG Index

TIP Taiwan Index Plus

Selected as a constituent stock of the FTSE4Good "TIP Taiwan ESG Index" for 7 consecutive years

TWSE 臺灣證券交易所

Selected as one of the top 5% of listed companies in the Taiwan Stock Exchange's "11th Corporate Governance Evaluation" for the fifth time

TCSA

Mega Financial Holding won the "Sustainability Report Platinum Award" and the "Sustainability Overall Performance Award" Taiwan's Top 100 Exemplary Enterprises for Sustainability at the Taiwan Corporate Sustainability Awards (TCSA) for 3 consecutive years

Mega Securities and CKI won the "Sustainability Report" Platinum Award and Bronze Award at the Taiwan Corporate Sustainability Awards (TCSA)

Mega Group also won 6 Individual Sustainability Performance Awards, including Mega Financial Holding: Climate Leadership Award, Mega Bank: Information Security Leadership Award, Mega Securities, Mega Bills, and Mega Funds: Workplace Welfare Leadership Award, and Mega Securities: Senior-Friendly Leadership Award

category	Issuer	Awards
Corporate Governance	Taiwan Stock Exchange (TWSE)	– Mega Bank and Mega Securities were included again in the "Best List of Institutional Investors' Due Diligence Governance Information Disclosure"
	National Council for Sustainable Development, Executive Yuan	– Mega Financial Holding was shortlisted for the 2024 National Sustainable Development Award
	National Enterprise Competitiveness Development Association	– Mega Financial Holding, Mega Bank, Mega Securities, Mega Futures, Mega Bills, and CKI won recognitions at the 21st National Brand Yushan Award, including 24 awards in the "Outstanding Enterprise Category," "Best Product Category," and "Best Popular Brand Category"; Mega Bank and Mega Securities won the first prize nationwide in the "Product Category" and "Best Popular Brand Category"
Employee Care	Taiwan Stock Exchange (TWSE)	– Mega Financial Holding was selected as a constituent stock of the "Taiwan High Compensation 100 Index" for 10 consecutive years Selected as a constituent stock of "Taiwan Employment Creation 99 Index" for 8 consecutive years
	RMI Educational Foundation	– Mega Financial Holding and CKI won the "Excellence Award in the Best Financial Holding Companies for Finance Graduates" and "Special Award in the Best Insurance Companies for Finance Graduates" for 13 consecutive years
	Taipei City Government	– Mega Financial Holding won the Silver Award for "Workplace Gender Equality Certification" – Mega Securities, Mega Futures, and Mega Funds were awarded the "Middle-aged and Elderly Friendly Enterprise Certification"
	CommonWealth Magazine	– Mega Financial Holding was ranked among the top 10 in the financial industry group of large enterprises in the "Excellence in Corporate Social Responsibility Awards" and "Commonwealth Magazine's Talent Sustainability Award Selection"
Social Inclusion	Sports Administration, Ministry of Education	– Mega Financial Holding and Mega Bank won the Silver Award and Gold Award in the Sponsorship Category of the 16th Sports Promotion Award
	RMI Educational Foundation	– Mega Bank received the Excellence Award for the "Best Social Responsibility Award at the Faith, Hope & Love Awards of Insurance" and the Excellence Award for the "Best Insurance Professional Award" – CKI received the Excellence Award for the "Best Social Responsibility Award at the Faith, Hope & Love Awards of Insurance," the Excellence Award for the "Best Professional Consultant Award," and the "Best Communication Service Award"
Sustainable Environment	Ministry of Environment	– Mega Financial Holdings won the 6th National Enterprise Environmental Protection Award - Bronze – Mega Bank received the Certificate of Appreciation at the "2023 Private Enterprise and Organization Green Procurement Award"
	Energy Administration, Ministry of Economic Affairs	– Mega Bank won the Silver Award at the "2024 MOEA Energy Conservation Benchmark Award"
	Department of Environmental Protection, Taipei City Government	– Mega Bank, Mega Bills, and CKI received the Certificate of Appreciation for Excellence in Promoting at the "2023 Private Enterprise and Organization Green Procurement Award"
Sustainable Finance	Financial Supervisory Commission (FSC)	– Mega Bank and Mega Securities were ranked in the top 25% of the 2nd Sustainable Finance Assessment – Mega Bank was awarded the "Outstanding Bank for SME Loans," "Special Award for Balanced Regional Development of SME Lending Loans (Hualien, Taitung and Outlying Islands)," and "Outstanding Bank for SME Loans Program in Six Core Strategic Industries" – Mega Bank won the "Best Trust Award" and "Trust Alliance Award," and ranked fourth in Group A of the "Retirement Trust Award" in the 3rd Trust 2.0 Program Evaluation
	Ministry of Economic Affairs	– Mega Bank was awarded the "Outstanding Financial Institution for SME Credit Guarantee Financing Business," "Credit Manager - Green Credit Promotion Award," and "Low-Carbon Smart Award and Post-Pandemic Revitalization Award" by the Ministry of Economic Affairs and the TSMEG – Mega Bank was awarded the "Green Credit Promotion Award," "Low-Carbon Smart Award" and "Post-Pandemic Revitalization Award" by the Ministry of Economic Affairs and the TSMEG

category	Issuer	Awards
Sustainable Finance	Joint Credit Information Center	– Mega Bank won the "Golden Excellence Award" and "Sustainable Financing Award" at the 18th "Golden Security Award, Golden Excellence Award, Gold Award and Sustainable Financing Award Recognition Conference"
	Taiwan Institute for Sustainable Energy (TAISE)	– Mega Bank won three awards at the 4th Taiwan Sustainable Investment Awards: "Model Bank" in the Institutional Impact Category, "Impact Investment Silver" in the Case Impact Category, and "Sustainable Bond Silver" in the Case Impact Category – Mega Funds won the Gold Grade for "Sustainable Funds" in the Case Impact Category of the 4th "Taiwan Sustainable Investment Awards"
	Excellence Magazine	– Mega Securities won the first "Best Senior-Friendly Award" – CKI won three awards: "Excellence in Social Welfare Award," "Excellence in Risk Management Award," and "Excellence in Product Innovation Award"
	China Times	– Mega Bank won the Senior-Friendly Award at the 2nd "China Times Financial Services Awards"
Customer Commitment	Financial Supervisory Commission (FSC)	– Mega Securities and Mega Futures were ranked in the top 25% of Large Comprehensive Securities and top 25% of Specialized Futures, respectively, in the "Treating Customers Fairly Selection"
	Ministry of Economic Affairs	– Mega Bank won 2 gold medals, 2 silver medals, and 3 bronze medals at the Taiwan Innotech Expo
	Taiwan Academy of Banking and Finance	– Mega Bank won the Excellence rating for the "Best Consumer Finance Award," Excellence rating for the "Best Digital Finance Award," and the Special Award - "Financial Inclusion Promotion Award (Fraud Prevention)" at the 12th "Outstanding Financial Business Elite Awards" – Mega Bills won the "Best Bills Finance Award" at the 12th "Outstanding Financial Business Elite Awards"
	Taiwan Stock Exchange Corporation	– Mega Securities won the first place in the Weight Stock Growth Award of the "Warrant Issuer Award Program" – Mega Funds won the 3rd place in the ETF Issuance Contribution Award and the ESG ETF Issuance Award in the "ETF Competition"
	Taiwan Institute of Directors and Commerce Development Research Center (CDRC)	– Mega Financial Holding was rated as a Top 10 Foreign Financial Company in Taiwan in the "Foreign Capital Selected Taiwan Top 100 List"
	Commercial Times	– Mega Bank won the Gold Award - "Recommendation Award for Cross-Industry Collaboration" and Excellence Award - "Best Service Type Trust Award" at the 4th Trust Award – Mega Bank won the Digital Information Security Award (Anti-fraud Category) of the "Digital Banking Award" – CKI won the Excellence Award - Digital Service Award of the 4th Digital Banking Award
	Business Today	– Mega Bank won the Best Risk Control Award and Best Wealth Value Addition Award at the 18th "Wealth Management Bank and Securities Evaluation"
	Excellence Magazine	– Mega Securities won the "Best Fair Customer Treatment Award" and "Best Service Quality Award"
	Financial Information Co., Ltd.	– Mega Bank won the "Best Wealth Value Addition Award" and "Best Audiovisual Marketing Award" at the "Wealth Management Awards"

Note：For more information on the awards won by Mega Group, please refer to the Latest News section on the official website of Mega Financial Holding (https://www.megaholdings.com.tw/tc/AwardRecord.aspx).



About Mega Holdings

1.1 Background Information
1.2 Economic Performance

Material Topics of GRI Standards

GRI 201

Corresponding Material Topics

Economic Performance

Targeted Stakeholders

All Stakeholders



Founded in 2002, Mega Financial Holding was listed on TWSE on the same year. We persist in creating value and profits for employees, customers, shareholders, and other stakeholders. As a longstanding supporter of the Government's New Southbound Policy, Mega Group seizes opportunities for economic development in the Asia Pacific, develops wealth management services, and promotes technology-driven innovations and digital transformation of financial services. In 2024, the net profit after tax of Mega Financial Holding exceeded NT$34.765 billion, with earnings per share of NT$2.35.

1.1 Background Information

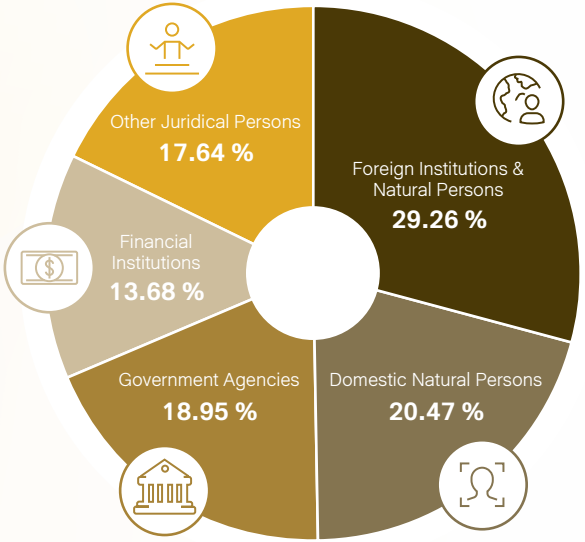
Company Name	Mega Financial Holding Co., Ltd.
Date of Incorporation	February 4, 2002
Headquarters Address	14-17F, 20-21F, No. 123, Sec. 2, Zhongxiao E. Rd., Zhongzheng Dist., Taipei City, Taiwan (R.O.C.)
Chairman	Ray Beam Dawn
President	Chuan-Chang Chang
Industry	Financial Services
Stock Code	2886
Capital	NT$148.334 billion
Total Number of Employees	NT$4,671.607 billion
Total Assets	9,795 (Full-time employees)
Scope of Business	Mainly investment and management of investee companies; for subsidiaries, the scope of business includes a variety of financial services.

Note : The President of Mega Financial Holdings was succeeded by Mr. Chuan-Chang Chang on April 8, 2025.

Organization Structure

Members of the Mega Group include seven directly-held subsidiaries, namely, Mega Bank, Mega Securities, Mega Bills, Chung Kuo Insurance (CKI), Mega International Investment Trust (Mega Funds), Mega Asset Management (MAM), and Mega Venture Capital (MVC). In 2024, the Group's overall profits mainly come from return on investments by Mega Bank, Mega Securities and Mega Bills. Our subsidiaries offer comprehensive range of financial products and services including banking, securities, bills, insurance, and investment trust. With the concerted efforts of our subsidiaries, we will continue to expand the business operations of each subsidiary, and use cross selling and other methods to help subsidiaries expand their businesses, thereby creating profit-powering engines to maximize synergy.

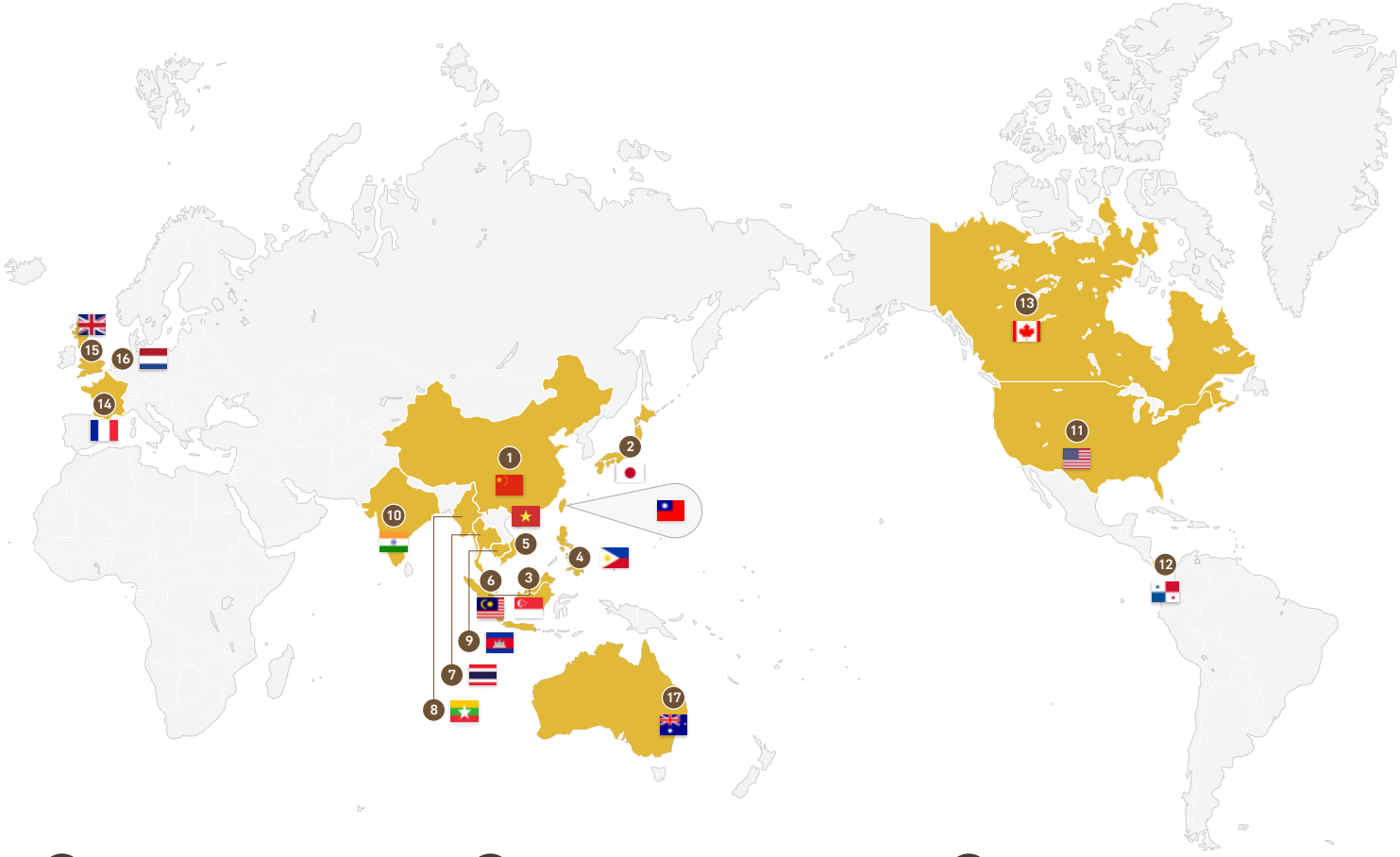
Ownership and Distribution of Shares



Note : Data as of April 21, 2025.

Global Operations

Mega Group is headquartered in Taiwan, with overseas operations mainly in Asian countries. The Group is focused on developing emerging markets and countries in Southeast Asia. As of the end of 2024, Mega Group operates 234 business locations around the world, 194 of which are located in Taiwan. Mega Bank has 108 branches in Taiwan; and 40 overseas operations in 18 countries. Among the 40 overseas locations, 31 are overseas branches and sub-branches, 3 are overseas representative offices and business offices (Haiphong Representative Office in Vietnam was incorporated in 2022), and 5 are subsidiaries and branches in Thailand. CKI also has one Representative Office in Guam.



Headquarter Taiwan

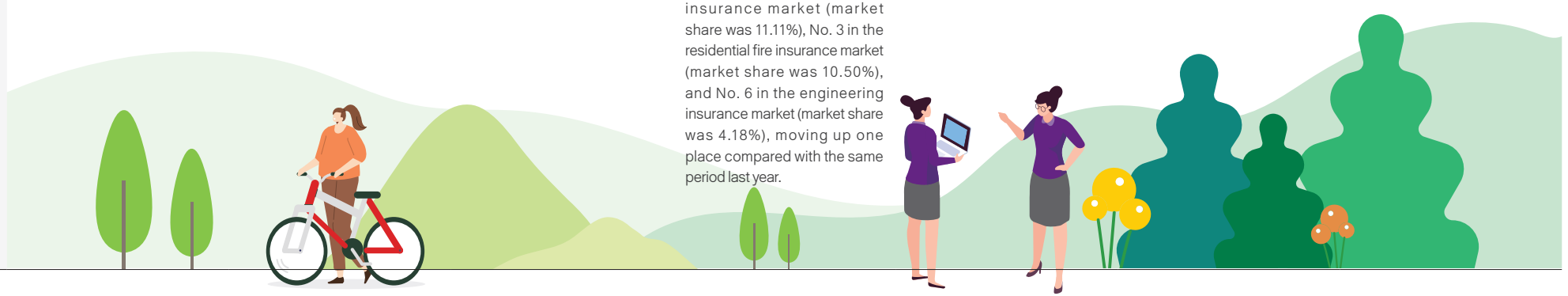
Local Operations 194 places

Global Operations 234 places

1	China	Suzhou Branch Suzhou Wujiang Sub-branch Kunshan Sub-branch Ningbo Branch Hong Kong Branch
2	Japan	Tokyo Branch Osaka Branch
3	Singapore	Singapore Branch
4	Philippines	Manila Branch
5	Vietnam	Ho Chi Minh City Branch Haiphong Representative Office
6	Malaysia	Labuan Branch Kuala Lumpur Marketing Office
7	Thailand	Thailand Subsidiary Chon Buri Branch Bangna Branch Ban Pong Branch Rayong Branch
8	Myanmar	Yangon Branch
9	Cambodia	Phnom Penh Branch Phnom Penh Airport Sub-branch Phnom Penh Olympic Stadium Sub-branch Phnom Penh Tuol Kork Sub-branch Phnom Penh Chamkarmorn Sub-branch Phnom Penh Grand Ca Mau Sub-branch
10	India	Mumbai Office
11	United States	NY Branch Los Angeles Branch Chicago Branch SV Branch Guam CKI Representative Office
12	Panama	Panama Branch
13	Canada	Vancouver Branch Toronto Branch
14	France	Paris Branch
15	United Kingdom	London Branch
16	The Netherlands	Amsterdam Branch
17	Oceania Australia	Sydney Branch Brisbane Branch Melbourne Branch

Introduction of Each Subsidiary

	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	Mega Asset Management (MAM)	Mega Venture Capital (MVC)
Service Descriptio	The scope of business mainly includes commercial banking, corporate finance, international finance, trust, consumer finance, wealth management, investment, and agency businesses. Mega Bank is the only USD clearing bank in Taiwan's foreign currency settlement platform. Mega Bank ranks the first among domestic banks in terms of import/export businesses.	The scope of business mainly includes underwriting of securities, brokerage and proprietary trading of securities, stock agency, margin trading of securities, issuance of stock warrants, brokerage of overseas securities, futures introducing brokerage, and trust related business.	The scope of business mainly includes proprietary trading, brokerage and underwriting of short-term notes and bills and financial bonds, provision of guarantees for short-term notes and bills, and proprietary trading of government bonds and corporate bonds.	The scope of business mainly includes property insurance and regulator-approved accident insurance and health insurance.	The main business activities include securities investment trust and discretionary investments, as well as other related businesses approved by the FSC.	The scope of business mainly includes purchases and selling of financial institutions' loan assets, and obligations consolidation and advanced payments for urban renewal and renovation of old buildings according to government regulations.	The scope of business focuses on directly providing funding to investees and providing operational, managerial and consulting services to investees.
Business Performanc	In 2024, Mega Bank's net profit after tax was NT$28.37 billion and EPS was NT$2.95.	Mega Securities' net profit after tax in 2024 was NT$2.55 billion, with a market share of 2.57%, ranking No. 9 in the brokerage services. Its average market share in margin trading was 5.45%, ranked No. 5 in the industry.	Mega Bills' market share ranked No. 1 in the industry in terms of corporate bonds, bills trading, bills guarantee, and underwriting; its financial performance and asset quality were considered outstanding. Mega Bills reported an after-tax EPS of NT$1.46 in 2024, ranking first among the top three bills finance companies.	In 2024, CKI reported an increase of 12.03% compared with the previous year (market share was 3.63%) in domestic premium revenues compared to the previous year, ranking No. 10 among 19 other insurance peers, remaining in the same spot. Specifically, CKI was ranked No. 1 in the marine hull insurance market (market share was 22.98%), maintaining its lead, and No. 3 in the aviation insurance market (market share was 11.11%), No. 3 in the residential fire insurance market (market share was 10.50%), and No. 6 in the engineering insurance market (market share was 4.18%), moving up one place compared with the same period last year.	As of December 2024, the scale of public fund assets managed by Mega Funds reached NT$95.67 billion, ranking 18th among the 38 investment trust companies in Taiwan. Mega Funds managed NT$7.543 billion in private funds, ranking 2nd among 18 investment trust companies in the market.	MAM's main business originally included the purchase of bad debts. It supports government policies by transforming its business to serve the interests of the public, such as providing obligations consolidation and advanced payments for urban renewal and renovation of old buildings. As of December 31, 2024, the balance of MAM's underwriting business was NT$13.2 billion.	In 2024, new investments and NT$155 million in investment were added. As of the end of the year, the total investment of MVC was NT$837 million by the end of 2024.

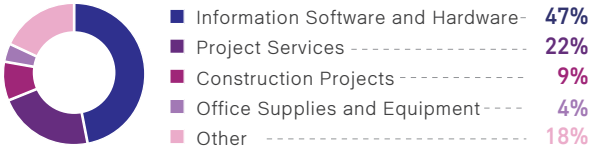


Value Chain Activities

Mega Group falls under the financial services industry, and the main value chain of the Group are as follows:

Upstream Suppliers

- **Types of suppliers:**
  Mainly engaged with contractors, distributors, and consulting service providers. Key suppliers are all located in Taiwan.
- **Type of contract:**
  Mainly project contracts, the length of which is dependent on the content of the project.



Company Operations

- **Business Activities:**
  Mega Group is mainly a provider of financial products and services and has seven subsidiaries, namely, Mega Bank, Mega Securities, Mega Bills, CKI, Mega Funds, MAM, and MVC.
- **Location of operations:**
  194 business locations in Taiwan and 40 overseas in 18 countries and regions, mainly in Asian countries, including China, Japan, Singapore, Philippines, Vietnam, Malaysia, Thailand, Myanmar, Cambodia, India, and non-Asian countries such as the United States, Panama, Canada, France, United Kingdom, Netherlands, and Australia, etc.

Financial Products/Services and Investments/Financing

- **Types of customers:**
  The subsidiaries of Mega Group operate different businesses and therefore, serve different types of customers. For example, Mega Bank serves individual customers/consumers (34%), SMEs (40%), large companies (or non-SMEs; 24%), and others (2%).
- **Type of contract:**
  Long-term and short-term contracts, mostly contracts and projects, depending on the nature of business involved. For example, at th end of 2024, Mega Bank served individual customers/consumers (43%), SMEs (35%), and large companies (or non-SMEs; 22%), with the majority of customers based in Taiwan.

Participation in Associations

Mega Group has actively participated in activities and committees of trade associations in the banking, securities, bills, property insurance, and investment trust businesses to promote the development of the domestic finance industry. The Chairmen of Mega Financial Holding and Mega Bank also serve as the Director of the Bankers Association of the Republic of China, the Managing Director of the Bankers Association of Taipei and the Chairperson of Taiwan Financial Services Coalition. The Chairman of Mega Securities and Mega Futures also serves as the Director of the Chinese National Futures Association. The Group has actively participated in projects or committees of trade associations to share information and its practical experience in business and corporate sustainability. We also propose recommendations for government policies through the trade associations to promote the healthy development of the overall finance industry. As of the end of 2024, Mega Group has participated in nearly 46 associations at the organization level, with 17 senior executives serving a concurrent position in these associations.

Participation in Associations or Organizations	Concurrent Positions Served by Senior Executives of Mega Group
The Bankers Association of the Republic of China	Director, Supervisor, Committee Member
Insurance Society of the Republic of China	Director
Life Insurance Management Institute of the Republic of China	Director
Nuclear Energy Insurance Pool of the Republic of China	Chairperson, President
Trust Association of R.O.C.	Vice Chairperson, Managing Supervisor, Committee Member
R.O.C. Bills Finance Association	Member Representative, Managing Director, Director, Committee Member
The Non-Life Insurance Association of the Republic of China	Managing Director, Supervisor
Chinese National Futures Association	Chairperson
Taiwan Securities Association	Member Representative, Managing Director, Committee Member

Participation in Associations or Organizations	Concurrent Positions Served by Senior Executives of Mega Group
Securities Analysts Association, Chinese Taipei	Consultant
The Securities Investment Trust and Consulting Association	Member Representative, Committee Member
The Bankers Association of Taipei	Managing Director, Member Representative
Taiwan Financial Services Coalition	Chairperson
Asian Bankers Association (ABA)	Director
CR Classification Society	Supervisor
Engineering Insurance Association (EIA)	Supervisor
Financial Planning Association of Taiwan	Director, Committee Member

1.2 Economic Performance

The Generated and Distributed Economic Value of Mega Group in Past Four Years

Unit: thousand NTD

Item / Year		2021	2022	2023	2024
Direct Economic Value Generated (A)	Net Interest Revenue (C)	32,468,345	37,683,094	36,061,577	36,793,927
	Non-interest Net Revenue (D)	27,762,501	18,366,559	41,260,317	46,691,204
	Net Revenue (C+D) = Subtotal of Direct Economic Value Generated	**60,230,846**	**56,049,653**	**77,321,894**	**83,485,131**
Distribution of Economic Value (B)	Operating Costs	-9,360,021	-10,084,126	-11,586,587	-12,853,680
	Employee Salary and Benefits	-20,146,203	-9,970,514	-21,787,288	-23,275,113
	Donations	-99,255	-113,612	-124,333	-118,612
	Share Dividend Distributed to Shareholders	-22,439,710	-18,400,562	-25,922,409	-23,733,405
	Income Tax Expenses	-2,925,343	-2,809,343	-3,800,988	-4,325,927
	Subtotal of Economic Value Distributed	**-54,970,532**	**-50,880,855**	**-63,221,605**	**- 64,306,737**
Economic Value Retained	**Subtotal of Economic Value Retained (A-|B|)**	**5,260,314**	**5,168,798**	**14,100,315**	**19,178,394**

Note : In 2024, donations were mainly made to educational, cultural, public-interest, charity institutions or associations and charitable trusts. No political donations or other improper donations were made.

The Financial Performance of Mega Group in Past Four Years

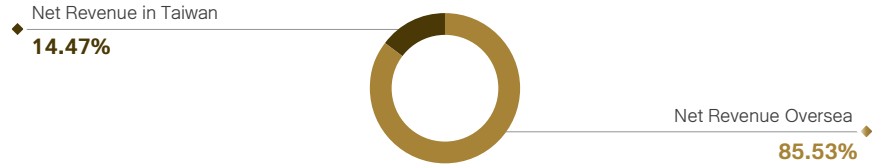
Unit: thousand NTD

Item / Year	2021	2022	2023	2024
Total Assets	4,168,264,859	4,060,987,347	4,394,765,193	4,671,606,749
Total Liabilities	3,839,865,976	3,761,177,894	4,058,954,105	4,307,562,863
Total Equity	328,398,883	299,809,453	335,811,088	364,043,886
Net Revenue	60,230,846	56,049,653	77,321,894	83,485,131
Net Profit After Tax	25,731,070	18,334,958	33,246,977	34,765,886
Return on Assets (%)	0.64%	0.45%	0.79%	0.77%
Return on Equity (%)	7.86%	5.84%	10.46%	9.94%
EPS (NT$)	1.89	1.32	2.37	2.35

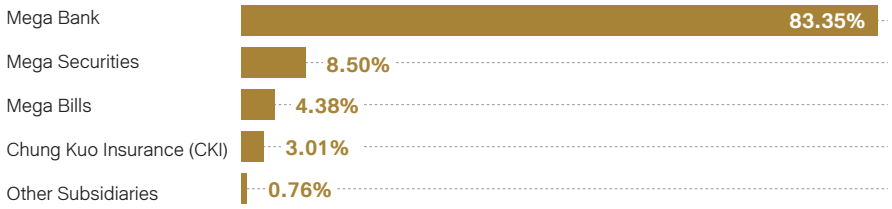
Note : Please refer to the Company's Annual Report, website, or the Market Observation Post System for information on the financial statements.

Revenue Structure

Net Revenue by Location



Net Revenue by Business



The Financial Performance of Mega Group's Subsidiaries for 2024

Unit: thousand NTD

Company Name	Total Assets	Net Revenue	Net Profit after Tax	EPS (NT$)
Mega Bank *	4,161,482,530	68,609,120	28,369,519	2.95
Mega Securities *	104,685,830	4,388,210	2,550,019	2.20
Mega Bills	*	3,698,724	2,205,965	1.46
Chung Kuo Insurance (CKI) *	25,683,776	6,879,227	412,014	1.78
Mega Funds*	967,643	453,745	92,016	1.75
Mega Asset Management	13,867,547	423,956	167,112	0.78
Mega Venture Capital	1,384,513	159,896	113,423	0.95

Note : * Please refer to the Market Observation Post System for information on the financial statements (https://mops.twse.com.tw).



2

Sustainability Strategies

2.1 Sustainable Governance Structure
2.2 A Vision and Strategy for Sustainability
2.3 Identification of Stakeholders and Material Topics

Material Topics of GRI Standards

-

Corresponding Material Topics

-

Targeted Stakeholders

All Stakeholders

2.1 Sustainable Governance Structure

Sustainable Development Committee

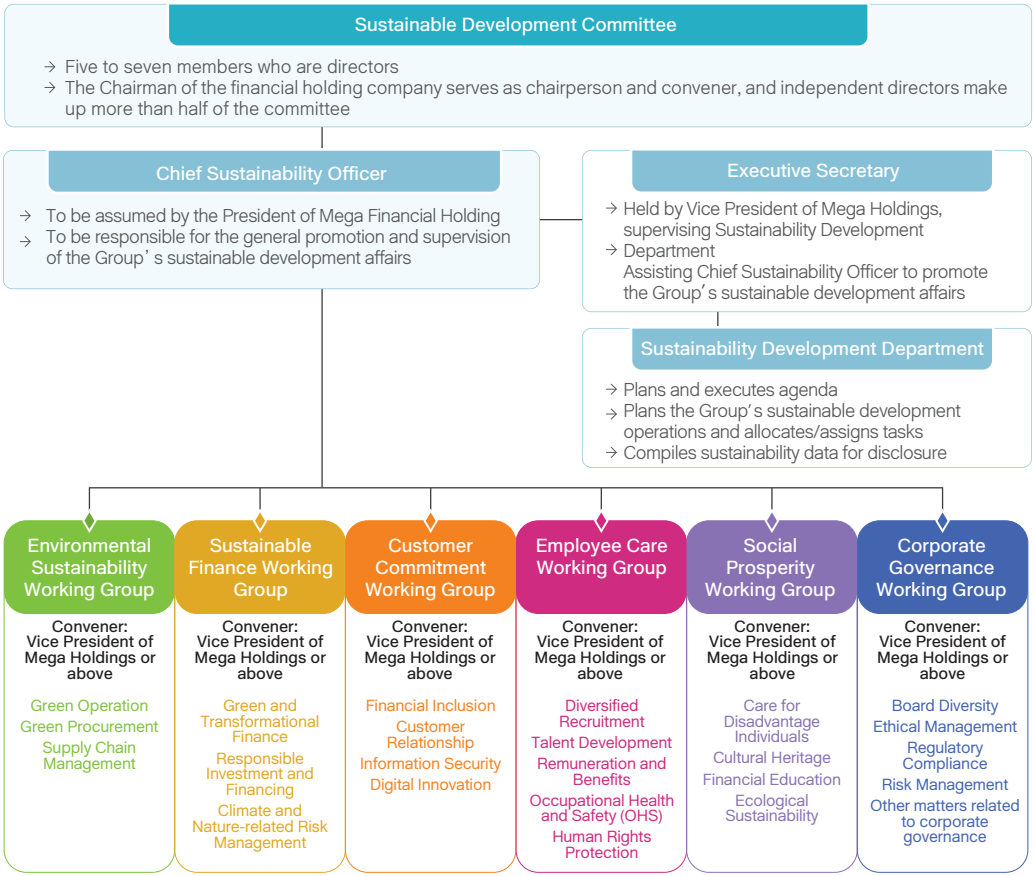
Mega Financial Holding established a Corporate Social Responsibility Committee at the end of 2013. In January 2021, the Committee was renamed Sustainability Committee and in May of the same year, the title of the Company's Guidelines for CSR Committee Establishment was revised to Guidelines for Sustainability Committee Establishment. In February 2022, following TWSE's amendments to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies", the Company's Sustainability Committee was renamed "Sustainable Development Committee", and relevant regulations were revised accordingly.

To strengthen the promotion of the Group's ESG business and enhance the corporate sustainability governance level, in December 2024, Mega Financial Holding's "Guidelines for the Establishment of the Sustainable Development Committee" was revised by the Board of Directors to become the "Sustainable Development Committee Organizational Charter". The Committee will be chaired by the Chairman of Mega Financial Holding, and over half of the committee members will be made up of independent directors. The Committee meets on a quarterly basis and reports the minutes of its meetings to the most recent Board of Directors' meeting in order to implement top-down management. The responsibilities of the Sustainable Development Committee include: (1) Review sustainable development policies, annual plans and strategies. (2) Follow up and review the implementation and effectiveness of sustainable development. (3) Supervise the disclosure of sustainability information and review sustainability reports. (4) Review and supervise the implementation of the Group's major sustainable development projects, important regulations or other sustainable development related work approved by the Board of Directors.

Mega Financial Holding's President serves as the Chief Sustainability Officer (CSO), while Mega Financial Holding's Sustainability Development Department is responsible for the planning and execution of the Sustainable Development Committee's agenda, sustainable development work planning and division of labor, and the disclosure and compilation of sustainability information. The Committee consists of six working groups: Environmental Sustainability, Sustainable Finance, Customer Commitment, Employee Care, Social Prosperity, and Corporate Governance., which are managed by Mega Financial Holding and its major subsidiaries respectively. In addition, each of the Group's subsidiaries has set up an ESG executive director or executive teams, with the president of each subsidiary acting as the convenor, to oversee the implementation of their respective ESG businesses.

To comprehensively promote and supervise the Group's sustainable development affairs, the Chief Sustainability Officer will convene an executive meeting of the Sustainable Development Committee every 2 month since 2025. The Vice President and department heads of Mega Financial Holding, working groups and the President of each subsidiary and ESG executive teams will attend and report on the implementation results, so as to keep abreast of the progress and supervise the Group's sustainable development issues in a timely manner.

The Organizational Structure of the Sustainable Development Committee



Note : The Social Prosperity Working Group includes the Mega Charity Foundation and Mega Bank C&E Foundation.

Background of 2025 Sustainable Development Committee Members

Title	Name	Sustainability Expertise and Capabilities
Chairperson and Convener (Chairman)	Ray Beam Dawn	Corporate governance, business ethics, sustainable finance, economic performance, digital innovation, green operation, talent development, financial education and talent development
Committee Member (Independent Director)	Ying Wu	Corporate governance, compliance, business ethics, combat crime, sustainable finance, risk management, economic performance, customer relations, climate action, green operation, nature and environment, sustainable procurement, happy workplace, diversified recruitment, human rights protection, financial inclusion, financial education and talent development
	Chang-Ching Lin	Business ethics, economic performance, climate action, talent development, social commitment
	Tsai-Jyh Chen	Corporate governance, compliance, business ethics, sustainable finance, risk management, economic performance, customer relations, green operation, talent development, financial inclusion, financial education and talent development
	Hung-Ju Chen	Sustainable finance, economic development, digital innovation
	Yung-Chih Lien	Corporate governance, business ethics, digital innovation, economic performance, talent development

Operation of the Sustainable Development Committee and Board Supervision in 2024

Meeting Date	Important Agenda	Date of Submission to the Board of Directors and Resolutions
2024.1.15	• Implementation of ESG plan in 2023 (full year) • Revised "Mega Group Guidelines for the Management of ESG/Sustainability-Related Industries and High-Risk Industries"	• This case and the minutes of the committee meeting were submitted to the Board of Directors on February 27, 2024 and approved
2024.3.28	• New "Mega Financial Holdings Key Points for Divestment Management in the Coal and Non-Traditional Oil and Gas Sectors" • Draft of the Group's 2023 Sustainability Report	• This case and the minutes of the committee meeting were submitted to the Board of Directors on April 23, 2024 and approved
2024.5.6	• Results of the 10th Corporate Governance Assessment and Subsequent Improvement Measures	• The minutes of the committee meeting were submitted to the Board of Directors on May 28, 2024 and approved
2024.7.8	• Presentation of the Group's SBT for review and approval, and follow-up action to be taken in response to the resolution	• This case and the minutes of the committee meeting were submitted to the Board of Directors on July 23, 2024 and approved
2024.9.2	• Presentation of the implementation status of the Group's carbon reduction action plan under the SBT • Establishment of the Group's Engagement Policy	• This case and the minutes of the committee meeting were submitted to the Board of Directors on September 24, 2024 and approved
2024.11.4	• Presentation of the 2024 Sustainability Report and communication with stakeholders and identification of material topics	• This case and the minutes of the committee meeting were submitted to the Board of Directors on November 26, 2024 and approved
2024.12.2	• Revised the name and some articles of the Group's "Guidelines for the Establishment of the Sustainable Development Committee" • Formulate the Group's ESG promotion plan, specific goals and mid- and long-term goals for 2025 • Revised the Group's "Operating Procedures for Sustainability Report Preparation and Verification" to "Operating Procedures for Sustainability Information Preparation and Verification" and revised some of its provisions • Revised the name and some articles of the Group's "Guidelines for the Establishment of the Sustainable Development Committee"	• This case and the minutes of the committee meeting were submitted to the Board of Directors on December 24, 2024 and approved

History of the Sustainable Development Committee

2013 - 2015

- Mega Financial Holding established a "CSR Committee" and set up five working groups
- Mega Financial Holding issued its first "2013 Corporate Social Responsibility Report" and passed third-party verification
- Mega Financial Holding established the "Corporate Social Responsibility Policy" and "Guidelines for Corporate Social Responsibility"
- Mega Financial Holding introduced ISO 14064-1 Greenhouse Gas Inventory and passed third-party verification
- Mega Bank adopted ISO 27001 Information Security Management System and passed third-party verification

2015 - 2018

- Mega Financial Holding published first English version of CSR Report
- Mega Financial Holding placed the "CSR Committee" under the jurisdiction of the Board of Directors
- Mega Financial Holding established "Human Rights Policy"
- Mega Bank adopted ISO 14001 Environmental Management System and passed third-party verification

2018 - 2021

- Mega Financial Holding's "CSR Committee" was renamed the "Sustainability Committee" and relevant internal regulations were revised
- Mega Financial Holding's "CSR Report" was renamed Sustainability Report, and SASB Standards were adopted
- Mega Financial Holding increased the hierarchy of "CSR Committee members" and increased the size of the committee to 11 members
- Mega Bank signed the "Equator Principles (EP)"
- Mega Financial Holdings signed the Task Force on Climate-Related Financial Disclosures (TCFD)
- Mega Financial Holding established the "Supplier Corporate Social Responsibility Management Guidelines", "Sustainable Finance Policy", and "Climate Risk Management Guidelines"

2022

- Mega Financial Holding's "Sustainability Committee" was renamed the "Sustainable Development Committee"
- Mega Financial Holding approved the Group's "Sustainable Development Strategy Blueprint" and "Environmental Sustainability Pathway"
- Mega Financial Holding established the "Operating Procedures for Sustainability Report Preparation" and "Verification and Guidelines for the Management of ESG & Sustainable Development in Industries and High-Risk Industries"
- Mega Financial Holding's Sustainability Report was partially assured by the Sustainability Accounting Standards Board in accordance with ISAE 3000
- Mega Financial Holding issued TCFD Report for the first time, and verified by a third-party certifying unit as "Level 5: Excellence", the highest rating.
- Mega Financial Holding adopted ISO 27001 Information Security Management System, CKI adopted ISO 27701 Privacy Information Management System and passed third-party verification
- Mega Financial Holding hosted the "Joint Supplier Conference of Public Financial Enterprises" with the theme of "Challenges of Sustainable Transformation towards a Net Zero Future"
- Mega Financial Holding signed the "1.5° C Climate Action Declaration" in support of the Chinese National Association of Industry and Commerce, Taiwan (CNAIC)
- 7 Subsidiaries introduced ISO 14001 Environmental Management System and ISO 50001 Energy Management System and passed third-party verification
- Mega Bank and Mega Securities adopted ISO 45001 Safety and Health Management System and passed third-party verification

2023

- Mega Financial Holding joined the "Coalition of Movers and Shakers on Sustainable Finance" by the Financial Supervisory Commission
- Mega Financial Holding participated in the launch of the international carbon rights trading platform and the first-purchase enterprise certification ceremony, becoming the first batch of international carbon rights buyers
- Mega Financial Holding established the Sustainability Development Department, a dedicated unit to drive the Group's ESG operations.
- Mega Financial Holding established the Group's GHG Inventory System and expanded the GHG inventory of overseas locations.
- Mega Financial Holding revised "Anti-Discrimination and Anti-Sexual Harassment Policy" with reference to the ILO Convention.
- Mega Financial Holding revised the "Sustainable Finance Policy" with reference to the "Convention on Biological Diversity (CBD)" and the "Taskforce on Nature-related Financial Disclosures (TNFD)".
- Mega Financial Holding is committed to the "Science-based Targets (SBT)" and "Partnership for Carbon Accounting Financials (PCAF) Standard".
- Mega Financial Holding and Mega Bank issued TCFD Report, for the first time to be verified by a third-party certifying unit as "Level 5+: Excellence", the highest rating
- Mega Group completed the Scope 3 investment and financing carbon inventory work according to PCAF methodology
- Mega Bank introduced the Taiwan Intellectual Property Management System (TIPS) Level and received "Level A Validation"
- Mega Bank Gangdu Branch completed the installation of solar panels, becoming the Group's first solar-powered branch

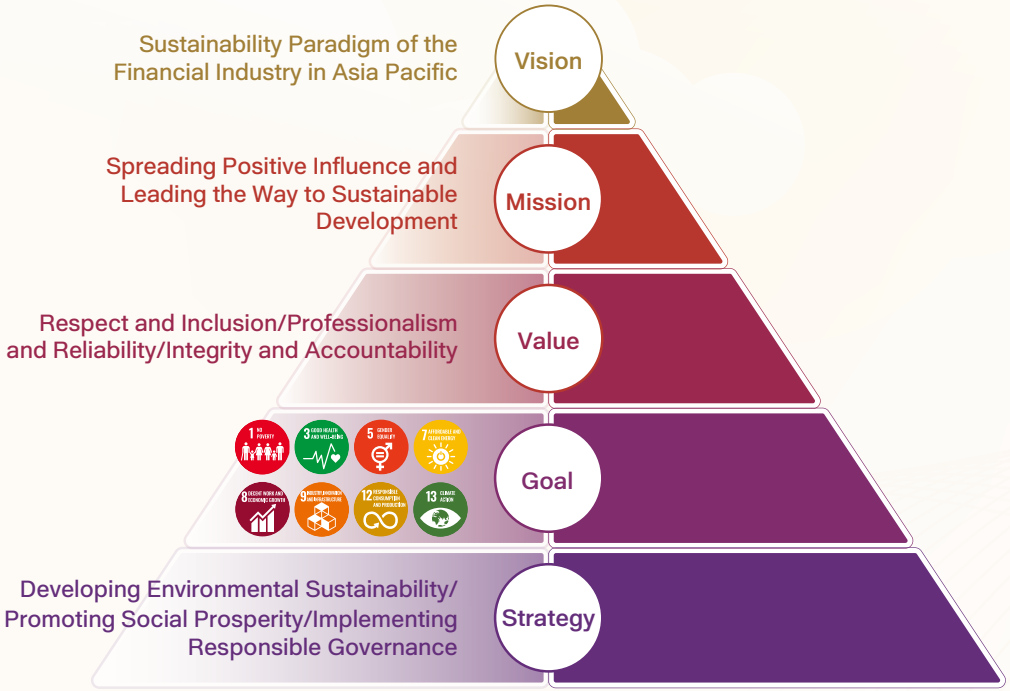
2024

- Mega Financial Holding upgraded its Sustainable Development Committee to a functional committee, with more than half of its members being independent directors
- Mega Financial Holding formulated the "Engagement Policy", "Anti-Greenwashing Declaration" and "Policy Impact Declaration"
- Mega Financial Holding participated in the Net Zero City Expo co-organized by the National Development Council and the Taipei Computer Association
- Mega Financial Holding's Sustainability Report incorporates the IFRS and TNFD frameworks
- Mega Financial Holding signed a contract to support CommonWealth's "Taiwan Talent Sustainability Action Alliance" to respond to the global DEI spirit
- Mega Group expanded the use of renewable electricity in its main headquarters building to more than 60%, and actively responded to becoming one of the first international carbon rights buyers
- Mega Bank adopted ISO 20400 Sustainable Procurement Guidance and passed third-party verification

2.2 A Vision and Strategy for Sustainability

Mega Holdings sets the vision as becoming the "Sustainability Paradigm of the Financial Industry in Asia Pacific" and the mission of "Spreading Positive Influence and Leading the Way to Sustainable Development". We uphold the values of "Respect and Inclusion, Professionalism and Reliability, Integrity and Accountability" when carrying out the business activities of the Group, and abide by the commitment we make to the environment, society, investors, customers, and company businesses, shaping a corporate culture of sustainability where employees are deeply aware of the importance of ESG practices. By establishing three ESG strategies of "Developing Environmental Sustainability", "Promoting Social Prosperity", and "Implementing Responsible Governance", we will exert concerted efforts to achieving the Sustainable Development Goals (SDGs) that were proposed by the United Nations in 2015.

By evaluating our own competitive advantages in business with a focus on eight SDGs, we developed the axes of our ESG strategies to identify corresponding sustainability issues. Specific promotional plans and key performance indicators are then planned by the Working Groups of the Sustainable Development Committee, and to facilitate the development of short-term and mid to long-term sustainability goals for the Group.



2.3 Identification of Stakeholders and Material Topics

Mega Group is committed to achieving sustainable development through the establishment of transparent and open communication channels for stakeholders. These channels include the Corporate Sustainability section on Mega Group's website, the Stakeholder section, and Feedback Survey section and serve to facilitate the collection of sustainability topics that are of concern to stakeholders. Necessary information is disclosed in the Sustainability Report as needed to provide response and adopt appropriate response measures in a timely manner.

Stakeholder Communication

To ensure that the information disclosed in the Sustainability Report meets the expectations of our stakeholders, Mega Group adopts the GRI Standards (2021) and the five principles of AA1000 Stakeholder Engagement Standard (AA1000SES), i.e., Responsibility, Influence, Tension, Diverse Perspectives, and Dependency, to design a questionnaire for stakeholders. Questionnaire survey was conducted by the Sustainable Development Committee of Mega Financial Holding and its sustainability working groups, subsequently identifying seven primary stakeholders. These include government and competent authorities, employee/unions, shareholders/investors, clients, media, suppliers, and communities/academic institutions/non-profit organizations. We engage with the seven stakeholders through diverse communication channels to determine the sustainability issues that are of concern to them. Responses are provided using the communication channels listed in the table below and in this Report. At the end of every year, the status of communication (report to the Board of Directors on 2024.11.26) with each stakeholder, including the survey results concerning sustainability issues that are of concern to stakeholders, is periodically reported to the Board of Directors.

Stakeholders	Top 5 Impact Issues of Stakeholder Assessment	Communication Channels, Complaint Methods and Response Methods		Communication Achievements
Government/ Competent Authority	• Regulatory Compliance • Information Security • Sustainable Finance • Climate Action • Human Rights Protection	Regularly	• File information on regulators' websites	• Mega Financial Holding has been selected as a constituent of TWSE Taiwan Corporate Governance 100 Index, Taiwan Employment Creation 99 Index, TWSE Taiwan High Compensation 100 Index, and FTSE4Good TIP Taiwan ESG Index for many years consecutively. • Mega Financial Holding joined the "Coalition of Movers and Shakers on Sustainable Finance" by the FSC. • Mega Group and subsidiaries have appointed Compliance Officers and Corporate Governance Officers.
		Non-scheduled	• Attend regulators' policy publication events and public hearings • Provide information for regulators' examinations • Communicate with regulators by visit, official letter or phone • Compliance with the relevant laws and policies of the competent authorities and cooperate with their supervision and inspections	
	Contact Person: hugo@megaholdings.com.tw			
Employee/ Corporate union	• Information Security • Regulatory Compliance • Corporate Governance • Business Ethics • Happy Workplace	Regularly	• Seminars on employees' safety and health • Hold labor-management meeting • Hold meetings of the Employee Welfare Committee, Labor Safety and Health Committee, Supervisory Committee of Employee Retirement Reserve	• Mega Group Mega implemented workplace health promotion plans and employee assistance programs (EAP). In 2024, a total of 107 employees used the telephone, e-mail, and one-on-one consultation service. • Mega Group conducted Employee Engagement Survey to determine how engaged employees are in their job and in turn assist with improving employee performance. In 2024, employee engagement scored 3.72 points on average, while the percentage of actively involved employees in terms of employee engagement was 90.8%. • Mega Group provided competitive compensation scheme and was included as a constituent stock of the "Taiwan Employment Creation 99 Index" and "Taiwan High Compensation 100 Index" for multiple years in a row.
		Non-scheduled	• Staff meetings • Hold morning/evening business unit meetings	
		Permanent	• The Union Discussion Forum has been set up in Mega Bank's intranet for employees to express their opinions • Established employee complaint and sexual harassment complaint hotline, e-mail	
	Contact Person: hr@megaholdings.com.tw			
Shareholders/ investors	• Economic Performance • Information Security • Business Ethics • Corporate Governance • Customer Relationship	Regularly	• Disclose operational performance (monthly) • Convene the shareholders' meeting, publication of annual report and sustainability report (annually)	• Mega Financial Holding continues to make steady profits, with over NT$34.765 billion in 2024. • 154 material information and announcements in 2024. • Mega Financial Holding organized 4 independent online investor conferences and participated in 6 investor conferences organized by domestic and foreign securities companies in 2024. We organized 203 meetings and telephone conferences with investors at home and abroad.
		Non-scheduled	• Disclose information on the Market Observation Post System • Organize domestic investor conference • Attend investor conferences and investor relations meetings at home and abroad	
		Permanent	• Set up Mega website in Chinese and in English and disclose annual reports, financial statements and stock information in the Investors section • Contact information for investors and stakeholders announced on the corporate website • Stakeholder survey in the corporate website's Sustainability section	
	Contact Person: Han-Yin Ding, Executive Vice President and Spokesperson (02) 2357-8888 ext. 116			

Stakeholders	Top 5 Impact Issues of Stakeholder Assessment	Communication Channels, Complaint Methods and Response Methods		Communication Achievements
Client	• Information Security • Risk Management • Regulatory Compliance • Economic Performance • Business Ethics	Non-scheduled	• Surveys of Customer Satisfaction • Provide newsletters and investment research reports • Organize seminars on investment and wealth management	• Surveys of Customer Satisfaction by Mega Group in 2024: 1.Mega Bank: – Telephone Courtesy Campaign 92.03% – Satisfaction with counter services: 95% – Satisfaction of digital customers: 92% 2.Mega Securities: 92% 3.CKI: 91.96% 4.Mega Funds: 90.35% • Mega Bank, Mega Securities, and Mega Funds organized ad hoc wealth management and investment seminars which attracted the participation of thousands of customers.
		Permanent	• Each subsidiary has set up a customer service and complaint hotline • Announce contact information for complaints and feedback on Mega website	
	Contact Person: web@megaholdings.com.tw			
Media	• Business Ethics • Regulatory Compliance • Information Security • Risk Management	Non-scheduled	• Organize project meetings • Organize ESG seminar for key suppliers • Invite key suppliers to participate in the public company joint supplier meetings	• Mega Financial Holding was selected as a constituent stock of both the "DJSI Emerging Markets Index" and "DJSI World Index", MSCI ESG Index rating of AA, and the Group received 8 awards from the TCSA Taiwan Corporate Sustainability Awards. • Mega Bank won the "Best Risk Control Award and Best Wealth Value Addition Award" at the Business Today's 18th Wealth Management Bank and Securities Evaluation. • Mega Bank won the Gold Award for "Recommendation Award for Cross-Industry Collaboration" and "Best Innovation in Sustainable Trust" at the 4th Commercial Times - Trust Award. • Mega Securities won the Excellence Magazine's "Best Fair Customer Treatment Award" and "Best Service Quality Award".
		Permanent	• Establish a spokesperson and PR personnel for liaising purposes	
	Contact Person: Han-Yin Ding, Executive Vice President and Spokesperson (02) 2357-8888 ext. 116			
Suppliers	• Information Security • Regulatory Compliance • Risk Management • Business Ethics • Combat Crime	Regularly	• Organize project meetings • Organize ESG seminar for key suppliers • Invite key suppliers to participate in the public company joint supplier meetings	• Mega Group established the Supplier Sustainability Management Guidelines to jointly increase the impact of their corporate sustainability. • All 100% of suppliers of Mega Group have signed the Supplier Sustainability Statement. • We conducted a Supplier Sustainability Self-Assessment Questionnaire Survey for key suppliers and 96 key suppliers completed the survey in 2024. • Organized the Group's supplier ESG Communication Meeting and invited representatives from nearly 40 key suppliers. • In 2024, the Mega Group's green purchasing amounted to NT$306 million or 9.82% of total annual purchases.
		Permanent	• Organize price negotiation meetings • Reach agreements in contracts	
	Contact Person: jordan@megaholdings.com.tw			
Communities, Academic Institutions and Non-Profit Organizations	• Information Security • Sustainable Finance • Regulatory Compliance • Financial Inclusion • Social Commitment	Regularly	• Respond to CDP climate change questionnaire	• In 2024, Mega Charity Foundation, Mega Bank Cultural and Educational Foundation, Mega Group, and subsidiaries invested over NT$87 million in charitable activities.
		Non-scheduled	• Sponsor charitable activities and sports, academic or art activities • Donate money or materials to not-for-profit organizations or institutions • Organize volunteer activities • Work with social welfare organizations to organize social welfare activities • Participation in CSR-related non-government organizations	
	Contact Person: mega@megacharity.org.tw			

Identification of Material Topics

The following six steps are taken by Mega Group every year to communicate with stakeholders and identify material topics in order to understand stakeholders' assessment of Mega Group's impact on sustainability issues and to review the results of the organization's sustainable management:

Phase I ▼

Identify stakeholders

7 primary stakeholders

Using the GRI Standards (2021) and AA1000SES Stakeholder Engagement Standard, we identified seven stakeholders, which were government and competent authorities, employee/unions, shareholders/investors, clients, media, suppliers, and communities/academic institutions/non-profit organizations.

Phase II ▼

Collect sustainability issues

11 governance and economic issues / 4 environmental issues / 7 people and human rights issues

Identified 22 sustainability issues, with reference to domestic/international issues on sustainable development, international sustainability ratings, material topics identified in peer reports, and feedback from stakeholders.

Phase III ▼

Questionnaire survey on the impact of sustainability issues

Evaluation by 11 executive members of the Sustainable Development Committee

Executive questionnaire

Eleven senior executives, including members of the Sustainable Development Committee, assessed the impact of sustainability issues on the Group's "corporate value" (financial/reputation/legal) through the executive questionnaire.

Feedback from 229 stakeholders

Stakeholder questionnaire

Stakeholders identified in the previous steps were invited to assess the degree of impact of sustainability issues on the "economy, environment, people, and human rights" through an online questionnaire, and a total of 229 valid questionnaires were collected.

Phase IV ▼

Analyzed the results of the sustainability questionnaire, proposed the material topics of the year, and approved by the Board of Directors

14 material topics

Compiled the degree of impact of the previous phase of sustainability issues "on the value of the Mega Group" and "on the economy, environment, people and human rights". Then analyzed the results of the material topics questionnaire survey according to the principle of Double Materiality, then ranked the sustainability issues through the Materiality Matrix. Finally, reported the results to the Sustainable Development Committee (2024.11.4) and the Board of Directors (2024.11.26) after determining the 14 material topics of the year 2024.

Phase V ▼

Disclose risk management measures for the material topics and corresponding disclosures

By following the GRI Standards, we disclosed information that stakeholders expect, and the management approach for the Material Topics identified and corresponding disclosures.

Phase VI ●

Internal control and self-audit of material topics identification process

The material topics identification process is included under the internal control self-audit items of the Sustainability Strategy Department's ERM, and the effectiveness of the process is regularly reviewed.

Analysis of Material Topics

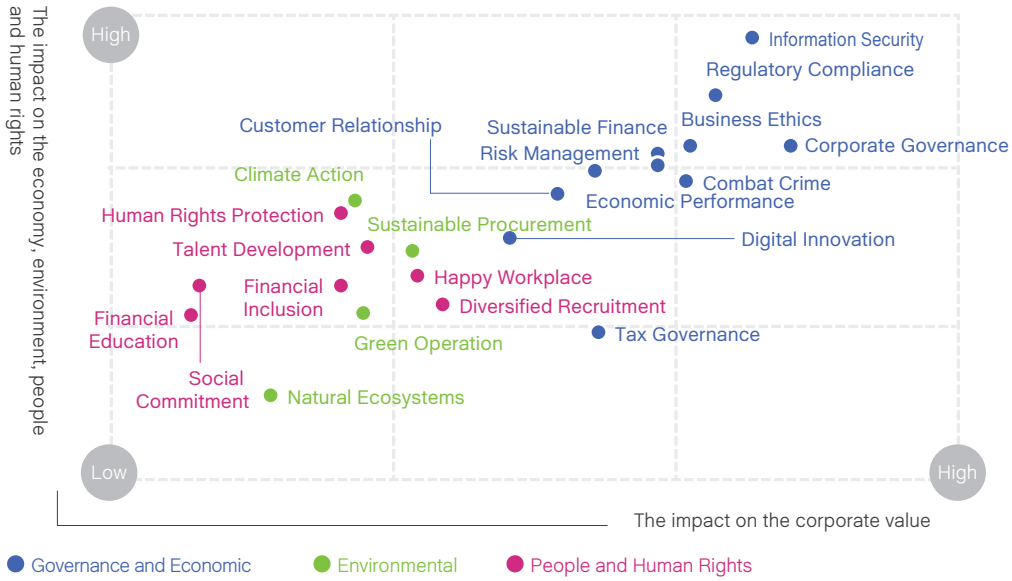
In the 2024 Sustainability Report, Mega Group introduced the Double Materiality matrix analysis. It ranked sustainability issues on the vertical axis of the matrix, "Impact on Economy, Environment, People and Human Rights", and on the horizontal axis, "Impact on Company Value", and identified the top 10 sustainability issues, which echoed the main axes of the sustainability strategy. These are namely, "Improving Digital Technology to Promote Sustainable Finance", "Committing to Net-zero Emissions to Achieve Environmental Sustainability", "Strengthening Talent Development to Implement Employee Care", and "Forging a Deeper Financial Inclusion for Mutual Prosperity in the Society". In addition, we have added four new sustainability issues, namely "Happy Workplace", "Climate Action", "Financial Inclusion", and "Social Commitment". A total of 14 sustainability topics were identified as the material topics for 2024, and the impact management measures and results of implementation are disclosed in this Report. Material topics for 2024 are the same as the previous year, with only the difference being the ordering.

Ranking of "Impact on Economy, Environment, People and Human Rights"

Positive Impact	Negative Impact	Positive & Negative Impacts
- Information Security	- Information Security	- Information Security
- Sustainable Finance	- Regulatory Compliance	- Regulatory Compliance
- Regulatory Compliance	- Corporate Governance	- Business Ethics
- Business Ethics	- Risk Management	- Corporate Governance
- Climate Action	- Business Ethics	- Sustainable Finance

Ranking of "Positive / Negative Impact on Company Value"

- Corporate Governance
- Information Security
- Regulatory Compliance
- Business Ethics
- Compact Crime





Impact Management of Material Topics

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots			Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
		Upstream Suppliers	Operations	Downstream Customers										
(1) Information Security	Mega Financial Holding has established Information Security Policy, Guidelines for Information Security Management, and Customer Data Confidentiality Measures. Mega is committed to establishing personal information protection rules in accordance with the latest domestic and overseas laws and regulation so as to ensure that the practice we adopt to protect information security and customer privacy is in line with international standards and requirements.		●	●	**Positive impact** ●●●●○ With the rapid development of digital financial technology, the implementation of information security and strengthening of personal information protection not only protects the interests of customers of the Mega Group, but also safeguards the Group's assets and reputation, which is conducive to the enhancement of customer satisfaction. **Negative impact** ●●●●○ Mega Group belongs to the financial service sector. Due to its characteristics, this sector is susceptible to cyber-attacks and is exposed to high information security risk, and is therefore placed under strict regulatory supervision. Data leakage may cause service disruption, lead to litigious investigations, incur costs relating to the repair or elimination of data system threats, and damage the Group's reputation, which negatively affects customer confidence.	Intellectual capital (investment cost of information security management measures reached NT$115 million)	Mega Group adopts internal policies and IT management system to ensure the security of company secrets and customer privacy and avoid negative impacts arising from data leakage. Every year, it completes information security training and social engineering exercises to disseminate knowledge and prevent related incidents from occurring, in order to minimize the negative impact of data leakage.	KPI 1 Social engineering drill management situation	At least 2 times	100%	At least 2 times	Continue to conduct social engineering drills to enhance employees' information security awareness		CH6 Customer Commitment (Page 117~135)
								KPI 2 Status of adoption of international information security management system	[Mega Financial Holding] To Maintain the validity of ISO 27001 certification [Mega Bank] To Maintain the validity of BS 10012 certification [CKI] To Maintain the validity of ISO 27701 certification	100%	Maintain the validity of the international information security management system certification	In line with the revision of international standards, adopt the latest version of the international information security management system certification		
								KPI 3 Information security or information leakage incidents	No information security or information leakage incidents occur during the year	100%	Maintain no information security or information leakage incidents			

※Corresponding Index: GRI 418 Customer Privacy, SASB Information Security (FN-CB-230a.1, FN-CB-230a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(2) Regulatory Compliance	In accordance with the Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries, Mega Financial Holding developed the Whistleblower Case Handling Guidelines and established a regulatory compliance system. We are committed to complying with legal and regulatory requirements in order to avoid possible financial losses, which may affect the company's credibility and operations.		●	▲	**Positive impact** ●●●●○ Mega Group regards the legal compliance mechanism as an important part of the internal control system and the most fundamental requirement for the company's operations. Compliance with laws and regulations helps to establish a good corporate image, stabilize the confidence of stakeholders, and create positive value for the company. **Negative impact** ●●●○○ Due to the nature of the financial industry, the legal compliance system of the Mega Group is highly regulated by the competent authorities. Failure to comply with regulatory regulations or the company's internal policies and procedures may result in the risk of regulatory compliance incidents, which may expose the company to market, credibility, legal, and financial risks, and lead to litigation and penalty costs, thus impacting the economic performance.	Human capital (cost of legal compliance education and training exceeds NT$7.29 million)	Mega Group strictly complies with the local laws and regulations of the area in which its business operates, and has implemented a compliance system in accordance with the Implementation Rules of Internal Audit and Internal Control System. We also keep ourselves updated of regulatory amendments, and propose prevention and improvement measures for violation incidents, as well as establish a mechanism for notification of major violations of laws and regulations, as to avoid fraud and illegal risks. In addition, through comprehensive regulatory compliance training, we have adopted a self-evaluation and testing mechanism for employees to raise their awareness on regulatory compliance and to reduce the negative impact of regulatory compliance risks.	KPI 1 Completion rate of education and training for compliance executive directors (%)	Compliance executive directors received more hours of education and training than required by law	100%	Compliance officers to receive more hours of education and training than required by law			CH3 Responsibility Governance (Page 37~61)
								KPI 2 Regulatory compliance supervisor meetings	Convene at least 4 regulatory compliance supervisor meetings	100%	Hold regulatory compliance supervisor meetings every quarter	Continue to hold regulatory compliance supervisor meetings regularly to supervise the implementation of compliance in each subsidiary		
								KPI 3 Compile a report on the number and type of complaints received from external and internal whistleblowing channels	Each subsidiary completes two reports every six months	100%	Each subsidiary completes two reports every six months	Continue to strengthen the effectiveness of the whistleblower system		

※Corresponding Index: GRI 2-27 Compliance, SASB Business Ethics (FN-CB-510a.1, FN-CB-510a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots			Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
		Upstream Suppliers	Operations	Downstream Customers										
(3) Corporate Governance 	Mega Group has established the Articles of Incorporation, Corporate Governance Best Practice Principles, and Procedures for Election of Directors, using company standards as a guide to build a sound corporate governance system and culture and to plan overall operational strategies for the group, risk management policies, and guiding principles.		●	○	**Positive impact** ●●●○○ Mega Group understands that good corporate governance is closely related to a company's brand image, long-term strategic development, and operating results. Furthermore, the competent authority often scrutinizes a company's corporate governance, such as adopting Corporate Governance Evaluation to inspect a company's corporate governance. It demonstrates that good corporate governance helps to establish the transparency of the management of the enterprise and improve the operational efficiency. In other words, a company can live up to the expectations of the government and other stakeholders by practicing good corporate governance. **Negative impact** ●●●○○ Mega Group regards corporate governance as the foundation for sustainable development. An Inadequate corporate governance structure and system will affect stakeholders' trust in the company and willingness in cooperation, and reduce corporate value and competitiveness.	Human capital (cost of director education and training: NT$510,000)	The Board of Directors is the core of corporate governance. Mega Group's Board of Directors is composed of directors with diverse professional backgrounds. Through measures such as board performance evaluation and regular external assessment, the board's functions, performance and effective operation are strengthened, the interests of shareholders are protected, and the transparency of information disclosure and the stability of corporate operations are improved.	KPI 1 Completion rate of directors' training (%)	At least 12 hours of continuing education for new directors and 6 hours of continuing education for re-appointed directors (including at least 3 hours of ESG related courses)	100%	At least 12 hours of continuing education for new directors and 6 hours of continuing education for re-appointed directors (including at least 3 hours of ESG related courses)	Continue to provide diversified continuing education courses for board members to ensure that directors pay attention to international trends related to corporate governance and keep abreast of the latest domestic regulatory changes		CH3 Responsibility Governance (Page 37~61)
								KPI 2 Proportion of independent directors in the board (%)	Independent directors account for more than 33% of the board	100%	Independent directors account for more than 33% of the board	Evaluate and increase the number of independent directors to more than 50% of the board		
								KPI 3 Gender ratio of directors on the board (%)	The gender ratio of directors accounts for more than 33% of the board	100%	The gender ratio of directors accounts for more than 33% of the board	Evaluate increasing the gender ratio of directors to 40% -50% the board		

※Corresponding Index: GRI 205 Anti-corruption, SASB Business Ethics (FN-CB-510a.1, FN-CB-510a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status	Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(4) Business Ethics	Mega Group and subsidiaries have established the Ethical Corporate Management Best Practice Principles, Procedures for Business Ethics and Guidelines for Conduct, Codes of Ethical Conduct, and Code of Conduct for Employees, all in an effort to develop an effective corporate governance system and shape an ethical culture.	▲	●	○	**Positive impact** ●●●●○ Mega Group abides by the principles of integrity and accountability, bases its policies on the principle of good faith, and applies sound corporate governance, risk control and management mechanisms so as to facilitate corporate sustainable development. It helps the Group to operate with integrity in the long term, avoid financial losses, and establish a positive image. **Negative impact** ●●●○○ If Mega Group violates business ethics, it will not only face operational, legal and reputational risks, but may also lead to fines or even termination of business, which will have a negative impact on the Group's image and operations, and further lose the trust of stakeholders.	Human capital (the cost of education and training on business ethics exceeded NT$130,000)	Mega Group has set up an Ethical Management Committee responsible for establishing ethical corporate management policies for the Group, assisting in incorporating ethics and moral values into the Group's business strategy, promoting and coordinating awareness and educational activities with respect to ethics policy, and organizing other matters relevant to business ethics to create an ethical culture and literacy within the Group.	KPI 1 Directors and individuals in managerial level or above signing the Statement on Compliance with Ethical Standards	100% signed by directors and individuals in managerial level or above	100%	100% signed by directors and individuals in managerial level or above			CH3 Responsibility Governance (Page 37~61)
								KPI 2 Completion rate of business ethics education and training (%)	The training completion rate is over 90%	100%	The training completion rate is over 95%	The training completion rate is over 100%	

※Corresponding Index: GRI 205 Anti-corruption, GRI 206 Anti-competition Behavior, SASB Business Ethics (FN-CB-510a.1, FN-CB-510a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(5) Sustainable Finance	Mega Group established the Sustainable Finance Policy to follow international sustainable finance initiatives and regulatory policies on green finance. The policy is also aimed at encouraging each subsidiary of the Group to provide low-carbon investments, financing, sustainable syndicated loans, insurance, and sustainability-related financial products, as to offer full support the development and innovation of a low-carbon economy.	▲	●	●	**Positive impact** ●●●●○ Mega Group realizes that developing sustainable finance can facilitate the development of renewable energy technologies and industries, promote transitioning to a low-carbon economy, speed up the process of achieving the carbon reduction goals of the United Nations Climate Change Conference, help to mitigate global warming, and reduce climate change risks. Therefore, low-carbon transition was incorporated into our business strategies. **Negative impact** ●●●○○ Mega Group has found with the deepening expectations of the competent authorities and investors for the development of sustainable finance in the financial industry, sustainable financial products and services have sprung up in the market. However, the relevant review and supervision mechanism has not yet been optimized, and if a company's claims of sustainable products have not been internally reviewed or verified by external third-party organizations, the company may be misrepresented or misinformed, which may result in "greenwashing" risk.It may have a negative impact on customers and society (e.g. financial loss), thereby affecting the company's reputation.	Financial capital (the cost of issuing/ investing/ underwriting sustainability bonds reached NT$21.66 billion)	In response to the policies and sustainable finance assessment requirements implemented by FSC, Mega Group encourages its subsidiaries to strengthen sustainability-related investments, lending, and other financial products and services. In addition, Mega Financial Holding was invited by the FSC to join the "Coalition of Movers and Shakers on Sustainable Finance" as the convenor of the "Interdepartmental Consultation Workgroup," which assists the financial industry in understanding and supporting the development of forward-looking economic activities and technology industry. It will allow us to fulfill our roles in bridging the gap between the financial sector, environmental protection, and economic growth.	KPI 1 Sustainability bond investment amount	[Mega Bank] Investment amount reaches NT$8 billion [Mega Securities] Investment amount reaches NT$1.5 billion [Mega Bills] Investment amount reaches NT$2.8 billion [CKI] Investment amount reaches NT$140 million	100%	[Mega Bank] Investment amount reaches NT$10.5 billion [Mega Securities] Investment amount reaches NT$1.6 billion [Mega Bills] Investment amount reaches NT$3 billion [CKI] Investment amount reaches NT$140 million	[Mega Bank] Investment amount reaches NT$11 billion [Mega Securities] Investment amount reaches NT$1.7 billion [Mega Bills] Investment amount reaches NT$3.6 billion [CKI] Investment amount reaches NT$160 million	[Mega Bank] Investment amount reaches NT$11.5 billion [Mega Securities] Investment amount reaches NT$1.8 billion [Mega Bills] Investment amount reaches NT$3.6 billion [CKI] Investment amount reaches NT$190 million	CH5 Sustainable Finance (Page 90~116)
								KPI 2 Domestic renewable energy power generation industry loan amount	[Mega Bank] Domestic renewable energy power generation industry loan amount reached NT$20.9 billion	100%	[Mega Bank] Domestic renewable energy power generation industry loan amount reached NT$25.9 billion	[Mega Bank] Domestic renewable energy power generation industry loan amount reached NT$36.1 billion	[Mega Bank] Domestic renewable energy power generation industry loan amount reached NT$40 billion	
								KPI 3 Renewable energy technology industry loan amount	[Mega Billion] Renewable energy technology industry loan amount reached NT$3.5 billion	100%	[Mega Billion] Renewable energy technology industry loan amount reached NT$4 billion	[Mega Billion] Renewable energy technology industry loan amount reached NT$5.5 billion	[Mega Billion] Renewable energy technology industry loan amount reached NT$6.5 billion	

※Corresponding Index: GRI 203 Indirect Economic Impacts, SASB Credit Analysis Incorporating ESG Factors (FN-CB-410a.1, FN-CB-410a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(6) Risk Management	Mega Group has established Risk Management Policy and Guidance Principles to ensure that Mega and its subsidiaries develop an effective risk management system, while the risk management policies and objectives of the subsidiaries are reviewed and formulated on an annual basis, ensuring that each operational risk is kept within acceptable limits.		●		**Positive impact** ●●●●○ In a rapidly changing financial environment where increasingly more diverse and complex technologies, products, and services are introduced, as well as growing diversity of emerging risks, Mega Group established effective internal control and risk assessment/management systems to detect risks, and effectively manage operational risks and emerging risks. **Negative impact** ●●●○○ Mega Group understands that inadequate risk management measures may result in the Group's inability to properly and promptly handle crisis events, amplify the scope of negative impacts, expose the Group to market, reputation, legal and financial risks, and even affect the overall stability of the financial market.	Financial capital (investment cost of climate risk management measures reached NT$2.51 million)	Mega Group and subsidiaries establish their respective risk management mechanism. A Risk Management Committee, which reports to the Board of Directors, is established to monitor risks. Through three lines of defense, namely, business units, risk management special units and audit units, the Group that the overall risk management complies with the Board of Directors' risk management policy.	KPI 1 TCFD framework introduction	Optimize the TCFD framework and pass third-party verification	100%	Continue to optimize the TCFD framework and pass third-party verification	Continue to optimize the TCFD framework, analyze and apply various risk and asset-liability management information, and enhance the Group's risk management effectiveness		CH4 Sustainable Environment (Page 62~89)
								KPI 2 Application scenarios of PCAF methodology	Disclose carbon emissions of Scope 3 investment and financing portfolios in accordance with PCAF methodology	100%	Disclose the carbon emissions of the Scope 3 investment and financing portfolio in accordance with the PCAF methodology and pass third-party verification			

※Corresponding Index: GRI 2-25 Procedures for Remediating Negative Shocks, SASB Systemic Risk Management (FN-CB-550a.1, FN-CB-550a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots			Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
		Upstream Suppliers	Operations	Downstream Customers										
(7) Combat Crime	Mega Group has established the "Anti-Money Laundering and Countering Financing of Terrorism Policy", "Mega Financial Group Anti-Money Laundering and Countering Financing of Terrorism Information Sharing Procedures", "Group Overall Anti-Money Laundering and Countering Financing of Terrorism Plan", and "Insider Self-Discipline Regulations" to prohibit all money laundering and insider trading activities.		●	○	**Positive impact** ●●●●○ Anti-money laundering and anti-corruption are currently important international sustainability issues, and stakeholders expect the Mega Group to demonstrate responsible business ethics to help combat crime and stabilize the international financial system. **Negative impact** ●●●○○ The financial industry's anti-money laundering and anti-terrorist financing systems are highly regulated by the competent authorities. Improper management will expose Mega Group to operational, legal and reputational risks. In addition to the possibility of facing significant penalties, it will also affect the Group's image and business development.	Human capital (cost of crime combating education and training exceeds NT$1.66 million)	Mega adopts AML and anti-corruption measures, provides relevant training and exercise plans for employees, and builds a complete corporate system and culture for combating crime.	KPI 1 Meetings on anti-money laundering and crime combating	Convene at least 4 meetings on anti-money laundering and crime combating	100%	Convene anti-money laundering and crime combating meetings every quarter	Continue to hold regular Group anti-money laundering and crime combating to supervise the implementation of anti-money laundering measures in each subsidiary		CH3 Responsibility Governance (Page 37~61)
								KPI 2 Completion rate of education and training for anti-money laundering personnel (%)	Mega Group's individuals in charge of anti-money laundering in the key subsidiaries complete longer hours of training than what is required by law	100%	Individuals in charge of anti-money laundering complete longer hours of training than what is required by law			

※Corresponding Index: GRI 205 Anti-corruption, SASB Business Ethics (FN-CB-510a.1, FN-CB-510a.2)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(8) Economic Performance	Mega Group has established the Tax Governance Policy as a promise to comply with the tax laws of the country in which we operate and with international tax guidelines. Moreover, in response to the government's New Southbound Policy, we keep abreast of business opportunities for economic expansion in Asia Pacific, and develop wealth management services to create business growth models for Mega Group.	▲	●		**Positive impact** ●●●●○ In the face of the restructuring and diversion of the global supply chain and the gradual recovery of the global economy in the post-pandemic era, the Mega Group regards effective management on the generation and distribution of economic value as a core corporate operation. It will help promote domestic economic growth and employment opportunities, and maintain a stable growth in revenues in order to meet the expectations of shareholders and other stakeholders. **Negative impact** ●●●○○ The global economy and inflation outlook are still facing many uncertainties, which have caused major countries to enter a cycle of interest rate hikes and increased volatility in international financial markets, which may affect corporate earnings performance.	Financial capital (consolidated net profit after tax NT$34.765 billion)	Mega Group transparently discloses the economic value generated and distributed in public information, continues to expand into overseas markets, assists subsidiaries in expanding their businesses through joint marketing and other means, and establishes a dual profit engine to maximize synergy.	KPI 1 Consolidated net profit after tax	Steady growth of Group's revenue	100%	The Group's revenue has grown steadily, meeting the expectations of stakeholders			CH1 About Mega Holding (Page 8~13) CH3 Responsibility Governance (Page 37~61)
								KPI 2 Cash dividend payment	Continuous cash dividends payments	100%	Continue to payout cash dividends to protect the rights and interests of investors			

※Corresponding Index: GRI 201 Economic Performance

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots			Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
		Upstream Suppliers	Operations	Downstream Customers										
(9) Customer Relationship	In accordance with the consumer protection provisions in Chapter 2 of the "Financial Consumer Protection Act", Mega Group has formulated the Group's "Guidelines for the Treating Customers Fairly Principle and Financial Consumer Protection". The Guidelines serve to regulate each subsidiary to formulate fair customer service policies, strategies, and implementation plans under the supervision of the Board of Directors, in order to enhance customers' confidence in Mega Group and to improve customer relationships.		●	●	**Positive impact** ●●●●○ Mega Group maintains a relationship of trust with its customers through the development of a fair customer treatment system and a robust customer grievance procedure to ensure that customers receive the best possible service experience, and that they receive timely and favorable responses and handling. **Negative impact** ●●●○○ Mega Group understands the importance of maintaining good customer relationships. An inadequate customer communication mechanism and the inability to keep abreast of customer needs in a timely manner may reduce customer satisfaction, affect business development, and impact profit performance.	Human capital (investment cost of fair customer service education and training: NT$1,154,000)	Mega Group upholds the business philosophy of professional finance and ethical service, and the Fair Customer Treatment Policy as the core of the company culture. We have set up a Principles for Fair Treatment of Customers section, Financial Consumer Protection section, and Friendly Financial Services section on its website. We proactively disclose and protect the rights and interests of our customers. We also conduct customer satisfaction surveys every year to review and improve customer experience through the results of the surveys.	KPI 1 Group overall customer satisfaction results	Score of 86%	100%	Score of 86%	Continue to conduct customer satisfaction surveys and improve the Group's overall satisfaction score year by year		CH6 Customer Commitment (Page 117~135)
								KPI 2 Completion rate of education and training related to treating customers fairly (%)	[Mega Bank] Completion rate reached 100%	100%	[Mega Bank] Completion rate reached 100%			

※Corresponding Index: GRI 417 Marketing and Labeling, GRI 418 Customer Privacy

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(10) Digital Innovation 	Mega Group holds "Information and Digital Business Meetings" to facilitate digital banking innovation and development. In these meetings, we regularly review issues that pertain to each subsidiary, such as new information technologies and digital development, as well as formulate policies, devise plans and goals, and review project progresses.		●	●	**Positive impact** ●●●●○ The advent of a digital banking era sees the application of artificial intelligence is becoming more and more mature. Therefore, we are committed to developing innovative technology platforms and optimizing operating procedures to capture more business opportunities from transactions with digital users and enhance the convenience of products and services. **Negative impact** ●●●○○ Traditional financial product business has been hard hit in the digital financial era. We have found that the younger generation is becoming less loyal to brands, emphasizing experience, values and social influence. Therefore, failure to understand customer needs and implement digital innovations may pose challenges in retaining loyal customers, thereby affecting competitive advantage.	Intellectual capital (R&D expenditure: approximately NT$8,044,000)	To appropriately manage the risks associated with the use of emerging technologies and to promote sound business operations, Mega Group keeps abreast of FinTech innovation trends, develops and optimizes digital services and products, improves operating procedures, and develops related patents to enhance service efficiency and quality, which helps to enhance customer satisfaction and brand loyalty.	KPI 1 Online card application rate (%)	[Mega Bank] Accounted for 64%	100%	[Mega Bank] Accounted for 66%	[Mega Bank] Accounted for 68%	[Mega Bank] Accounted for 70%	CH6 Customer Commitment (Page 117~135)
								KPI 2 Proportion of electronic order transactions (%)	[Mega Securities] Accounted for 80%	100%	[Mega Securities] Accounted for 82%	[Mega Securities] Accounted for 83%	[Mega Securities] Accounted for 84%	
								KPI 3 Proportion of electronic policies for automobile insurance and health injury insurance (%)	[Mega Insurance] Accounted for 40%	100%	[Mega Insurance] Accounted for 50%	[Mega Insurance] Accounted for 60%		
								KPI 4 Cumulative number of utility patents and invention patents	[Mega Banks] Cumulative total exceeded 827 cases	100%	[Mega Banks] Cumulative total exceeded 1,207 cases	[Mega Banks] Cumulative total exceeded 1,714 cases	[Mega Banks] Cumulative total exceeded 2,052 cases	

※Corresponding Index: Self-developed topics

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status	Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(11) Happy Workplace 	Mega Group established the Human Rights Policy, promising to comply with labor related laws and the basic human rights and employment policies of international conventions, which state that employees shall not be treated differently due to gender, age, race, marital status, and religion, etc. Mega Financial Holding also established "Anti-Discrimination and Anti-Sexual Harassment Guidelines" to respect the diversity of employees and deter any forms of discrimination and harassment. Regarding occupational health and safety, there is an Occupational Safety and Health Management Plan in place to show our commitment to prevent occupational hazards and occupational diseasses, providing a positive working environment for employees to maintain their physical and mental health.		●		**Positive impact** ●●●●○ Employees are an important asset of the Mega Group. A friendly workplace is an important competitive advantage in corporate management practices. To enhance employee organizational commitment and work performance, as well as retain outstanding employees, Mega Group treats every employee equally and fairly, provides them with a good work environment, and ensures the physical, mental, and spiritual health of employees to create a happy workplace. **Negative impact** ●●●○○ Mega Group recognizes that an inadequate workplace may increase the number of occupational safety incidents, affect the physical and mental health of employees, increase absenteeism, and, in addition to increasing personnel costs, reduce work quality and business performance, or even violate relevant laws and regulations, putting the company at risk of layoffs, penalties, or a negative image, among other risks.	Human capital (employee benefits amounted to NT$23.275 billion)	Therefore, Mega creates a harmonious workplace that is characterized by fair treatment, respect for the diversity of employees, legal labor conditions, transparent communication channels, and equal promotion opportunities, and salaries and and benefits that are better than legal requirements. We also establish measures to manage the occupational health and safety of employees (e.g., safe workplace-promotion activities, etc.), thereby taking comprehensive care of employees and enhance their sense of happiness and commitment. It allows them to give full play to their strengths and enjoy their work, and also help improve work efficiency and retention rates.	KPI 1 Adoption of international occupational health and safety management system	[Mega Bank and Mega Securities] Maintaining the effectiveness of ISO 45001 Occupational Health and Safety Management System	100%	[Mega Bank and Mega Securities] Maintaining the effectiveness of ISO 45001 Occupational Health and Safety Management System			CH7 Employee Care (Page 136~164)
								KPI 2 Applications for Employee Assistance Program (EAP)	Ongoing applications for EAP	100%	Ongoing applications for EAP				
								KPI 3 Group absentee rate (%)	Group absentee rate does not exceed 0.56%	100%	The Group's absentee rate did not exceed 0.56%, ensuring manpower stability and tracking employee attendance				

※Corresponding Index: GRI 401 Labor-Employer Relations, GRI 403 Occupational Health and Safety, GRI 405 Employee Diversity and Equal Opportunity

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(12) Climate Action 	Mega Group formulated the Climate Risk Management Guidelines to manage the latent risks of climate change to the company's operations and finance, and integrate related risk factors into existing risk management processes. In addition, through the "Operating Procedures for Environmental Sustainability Management", we comply with environmental laws and regulations, establish management systems for natural resources and the environment, and fulfill our management responsibilities to generate positive impacts while mitigating negative impacts on the environment caused by our operations.		●	○	**Positive impact** ●●●●○ As international investors worldwide pay more attention to climate change issues, Mega Group prudently assesses and identifies climate-related risks and opportunities and regularly discloses environment-related information. Climate change risks can incur additional operational costs and raise customers' investment and credit risks; therefore, risks associated with climate change are new risks that Mega Group cannot overlook. **Negative impact** ●●●○○ In recent years, we have been facing continuous extreme high temperatures and electricity prices have increased year by year, raising our operating costs. In addition, as Taiwan starts to levy carbon fees in 2025, suppliers and customers in related industries may face operational impacts and transformation risks, which will indirectly affect the credit and operational risks of Mega Group.	Natural capital (Green procurement amounted to a total of NT$306 million, investment in energy-saving and carbon-reduction measures reached NT$31.87 million, renewable electricity procurement amount reached NT$52.72 million)	Mega Group identifies climate change risks and opportunities by signing international standards such as TCFD, PCAF, SBT, CDP, and so on, and prioritizes responses to high-risk issues in order to minimize the impacts of climate change on our business and explore new business opportunities. We provide climate-related education and training for employees, and commit to practical actions such as SBT and purchasing renewable energy to properly manage climate change issues and strive to achieve the goal of net zero emissions by 2050. In addition, Mega Financial Holding also discloses details of the Group's climate governance, scenario analysis, risk management, and strategies through channels such as climate and environmental reports, annual reports, sustainability reports, external websites and CDP questionnaires.	KPI 1 Group reduction of greenhouse gas emissions in Scope 1 and 2 (with 2022 as the base year)	10.5% reduction by 2024	100%	15.75% reduction by 2025	31.50% reduction by 2028	42% reduction by 2030	CH4 Sustainable Environment (Page 62~89)
								KPI 2 Proportion of the Group's electric vehicles or hybrid vehicles to the total number of company vehicles purchased in the year (%)	Accounting for 80%	100%	Accounting for 90%	Accounting for 100%		
								KPI 3 The proportion of renewable electricity used by the Group (%)	[Mega Financial Holding, Mega Bank, Mega Securities, Mega Bills, and CKI] Headquarters and operating locations to use more than 60% of renewable electricity	100%	[Mega Financial Holding, Mega Bank, Mega Securities, Mega Bills, and CKI] Headquarters and operating locations to use more than 60% of renewable electricity	[Mega Bank] Continue to increase renewable electricity usage by more than 10% per year at operating locations other than the headquarters [Subsidiaries other than Mega Bank] Headquarters use more than 60% renewable electricity	The Group's domestic self-owned operating locations use 100% renewable electricity	
								KPI 4 Adopting solar energy in self-owned buildings	[Mega Bank] 1 location	100%	[Mega Bank] 1 location	[Mega Bank] Up to 7 locations	[Mega Bank] Up to 7 locations	
								KPI 5 Self-owned buildings obtaining green building certification	[Mega Bank, Mega Securities] 1 location	100%	[Mega Bank, Mega Securities] 1 location	[Group] 20 locations in total		

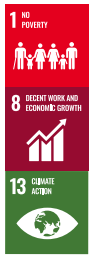
※Corresponding Index: GRI 201 Economic Performance, GRI 203 Indirect Economic Impacts, GRI 305 Emissions

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(13) Financial Inclusion	Mega Group established the Sustainable Finance Policy, Sustainable Development Best Practice Principles, and Sustainable Finance Policy. We strive to generate a positive influence through our core business activities and enhance inclusive financing.		●	●	**Positive impact** ●●●●○ Mega Group supports government policies and implements inclusive finance to respond to SDG goals (such as eliminating poverty, promoting business opportunities and driving economic growth). By developing various inclusive financial products and services, it not only promotes social equity and achieve inclusive growth, but also increase profit sources. It is expected to reduce social costs, such as micro-enterprise loan expenditures up to nearly NT$10,430,000. **Negative impact** ●●○○○ Faced with the urban-rural and digital divide, disadvantaged groups such as the elderly, the disabled, and those living in remote areas may not be able to obtain affordable financial services, which may widen the gap between the rich and the poor. With the development of ESG, more and more stakeholders are concerned about the financial industry's efforts in financial inclusion. Domestic and international sustainability assessments have also included this issue as an evaluation indicator, showing that a company's failure to implement financial inclusion may affect the results of various assessments and create potential reputational risks.	Social and relationship capital (microinsurance donation of approximately NT$1.23 million)	Mega Group provides universal access (including remote areas, disadvantaged groups, etc.) to a full range of effective and reasonable financial products and services. In addition, by responding to the Ministry of Finance's "ESG Advocacy Platform for Public Financial Businesses", we track and manage the implementation results of financial inclusion products and services of each subsidiary on a quarterly basis to expand business diversification opportunities.	KPI 1 Scale of new assets added to retirement trusts	[Mega Bank] Reached NT$360 million	100%	[Mega Bank] Reached NT$500 million	[Mega Bank] Reached NT$600 million	[Mega Bank] Reached NT$700 million	CH5 Sustainable Finance (Page 90~116)
								KPI 2 Cumulative amount of Government Concessional Loan for Youth Housing	[Mega Bank] Reached NT$128.8 billion	100%	[Mega Bank] Reached NT$203.055 billion	[Mega Bank] Reached NT$233.258 billion	[Mega Bank] Reached NT$235.954 billion	
								KPI 3 Total loans outstanding of green building mortgage and green enterprise employee personal loans	[Mega Bank] Reached NT$16.9 billion	100%	[Mega Bank] Reached NT$22.5 billion	[Mega Bank] Reached NT$25.9 billion	[Mega Bank] Reached NT$28.6 billion	
								KPI 4 Microinsurance premium income	[CKI] Reached NT$900,000	100%	[CKI] Reached Up to NT$1 million	[CKI] Reached NT$1.1 million	[CKI] Reached NT$1.3 million	

※Corresponding Index: GRI 203 Indirect Economic Impacts, SASB Financial Inclusion and Capacity Building (FN-CB-240a.1, FN-CB-240a.2, FN-CB-240a.3), SASB Activity Indicators (FN-CB-000.A, FN-CB-000.B)

● Actual impact; ○ Potential impact; ▲ Impact directly related to other commercial relationships

Material Topics and Priorities	Policies and Commitments	Value Chain Impact Hotspots: Upstream Suppliers	Value Chain Impact Hotspots: Operations	Value Chain Impact Hotspots: Downstream Customers	Risk Impact Description of Material Topics	Six Capital and Financial Impact Assessments	Management, Mitigation and Remediation Measures	Metrics (KPIs)	2024 Fiscal Goals and Achievement Status		Short-Term Goals (Up to 2025)	Mid-Term Goals (Up to 2028)	Long-Term Goals (Up to 2030)	Corresponding Chapter and Page
(14) Social Commitment 	Mega Group has formulated the Sustainable Development Policy and Sustainable Development Best Practice Principles. We focus the support on financial education, care for disadvantage individuals, sports and arts and culture, and community development. We plan strategies and targets to continuously provide support and resources.		●		**Positive impact** ●●●●○ Mega Group's mission is to create a financial sector that makes an all-around positive impact. In addition to promoting economic development, the Group also fulfills its functions in the financial industry (e.g., financial fraud prevention, financial education, etc.) to enhance the financial literacy of the disadvantaged and people in remote areas. It will not only enhance the image of the company, but also facilitate the promotion of the Group's business and the opening up of new business opportunities. **Negative impact** ●●○○○ With the rise of ESG concepts, stakeholders including communities/schools/non-profit organizations expect companies to support community development and care for disadvantaged groups in addition to making profits. To avoid unilateral donations that may arouse investor concerns, how to effectively combine financial resources to create environmental and social synergies and bring business opportunities to enterprises has become the direction of Mega Group's efforts.	Social and relationship capital (total investment in social investment and public welfare activities exceeds NT$87 million)	Through the public relations units of Mega Group, Mega International Commercial Bank Cultural and Educational Foundation, and Mega Charity Foundation, we integrate the resources of the Group to provide assistance and support to disadvantaged individuals in society. In addition, through the four major social inclusion strategies of "financial education", "cultural heritage", "care for the disadvantaged" and "environmental sustainability", combined with ESG concepts, we work with employees, customers and other stakeholders to participate in social participation activities and inject positive energy into society.	KPI 1 Financial knowledge promotion activities	Organize 10 financial knowledge promotion activities	100%	Conduct 50 financial literacy promotion activities in remote areas or among disadvantaged groups or reach 1,000 participants	Conduct 200 financial literacy promotion activities in remote areas or among disadvantaged groups, or 4,000 participants	Conduct 300 financial literacy promotion activities for remote areas or disadvantaged groups, or 6,000 participants	CH8 Mutual Prosperity in Society (Page 165~178)
								KPI 2 Sponsorship or organization of arts and cultural activities	Sponsor or organize 10 cultural and art activities or the funding reaches NT$3 million	100%	Sponsor or organize 20 cultural and art activities or the funding reaches NT$15 million	Sponsor or organize 80 cultural and art activities or the funding reaches NT$60 million	Sponsor or organize 120 cultural and art activities or the funding reaches NT$90 million	
								KPI 3 Sponsorship or organization of sports events	Support 5 sports events (including 3 green sports events)	100%	Sponsor or organize sports events with total funding reaching NT$15 million	Sponsor or organize sports events with total funding reaching NT$15 million and a total amount of NT$60 million	Sponsor or organize sports events with total funding reaching NT$15 million and a total amount of NT$90 million	
								KPI 4 Volunteer activities	Organize 10 volunteer activities	100%	Organize 20 volunteer activities or have up to 1,000 volunteers participating	Organize 80 volunteer activities or have up to 4,000 volunteers participating	Organize 120 volunteer activities or have up to 6,000 volunteers participating	

※Corresponding Index: GRI 203 Indirect Economic Impacts, GRI 413 Local Communities, SASB Financial Inclusion and Capacity Building (FN-CB-240a.4)

Note：Note: Impact of material topics cover positive, negative, actual and potential impact. Management measures include the management, prevention, mitigation and remediation of such impact.



3 Responsibility Governance

3.1 Corporate Governance
3.2 Business Ethics
3.3 Risk Management
3.4 Regulatory Compliance
3.5 Combat Crime
3.6 Tax Governance

- Selected as a constituent stock of the DJSI Emerging Markets Index and DJSI World Index
- Selected as one of the top 5% of listed companies in the Taiwan Stock Exchange's "11th Corporate Governance Evaluation"
- MSCI ESG Index rated AA level
- 100% of our senior management signed the Statement on Compliance with Ethical Standards

Material Topics of GRI Standards

GRI 205: Anti-corruption

GRI 206: Anti-competitive Behavior

Corresponding Material Topics

Combat Crime, Corporate Governance, Business Ethics, Regulatory Compliance, Risk Management

Targeted Stakeholders

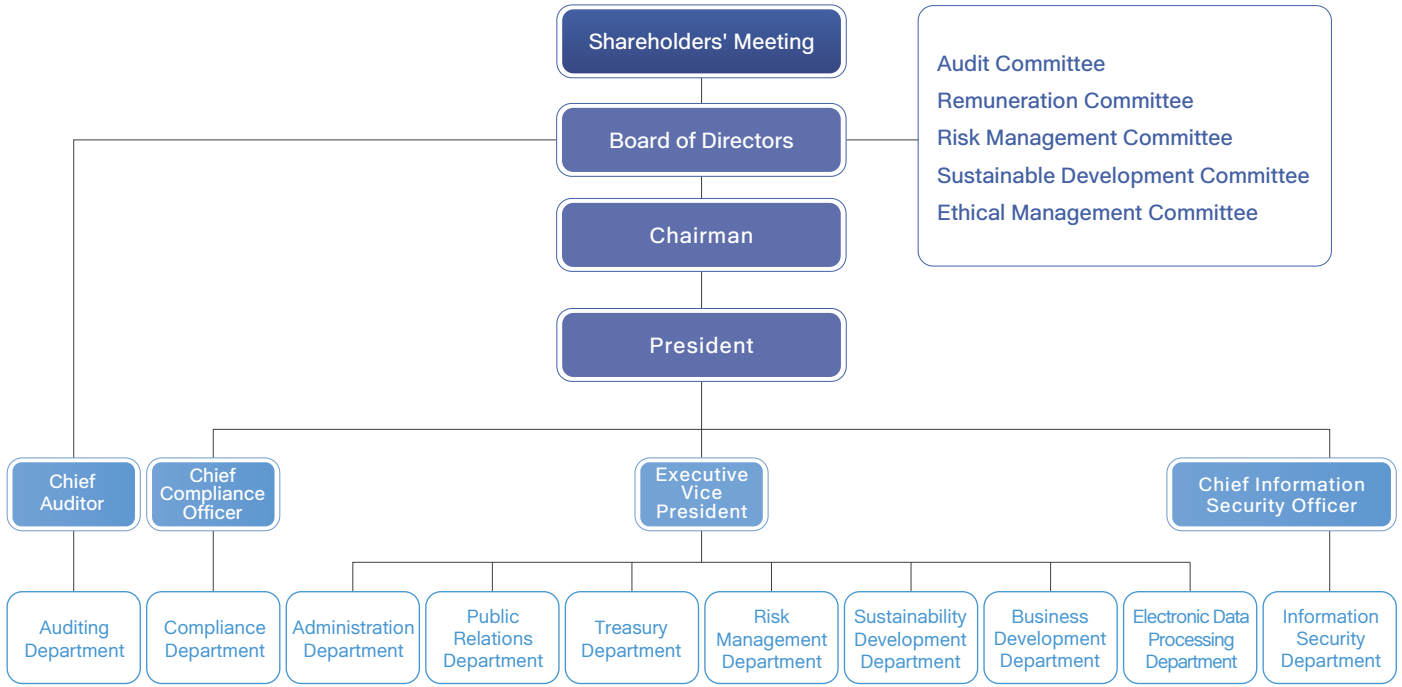
All Stakeholders

3.1 Corporate Governance

Mega Financial Holding has been selected as a constituent stock of the "Corporate Governance 100 Index" by the Taiwan Stock Exchange for six consecutive years, demonstrating Mega Group's ongoing efforts to strengthen corporate governance, which has been highly affirmed. The Group adheres to the spirit of implementing and enhancing corporate governance, emphasizes ethical management, legal compliance, anti-money laundering, and risk management. Through the professionalism, diversity, and independence of directors, a safe and sound operating environment and a transparent governance system are established to provide comprehensive decision-making recommendations to the management team. In this uncertain environment, including environmental issues such as climate change and energy shortages, as well as social issues such as COVID-19, the competition between the US and China, and the conflict between Russia and Ukraine, Mega Holdings Group faces ESG risks in each step of its operations. We have demonstrated strong resilience and courageously faced various challenges, hoping to gradually move towards the goal of becoming a regional financial group in Asia.

3.1.1 Corporate Governance Framework

Mega Financial Holding has a sound corporate governance framework, with the shareholders' meeting responsible for the deliberation of major matters or decisions, such as dividend distribution, articles of incorporation and important regulations, and the election of directors. The Board of Directors is established under the Shareholders' Meeting and it is the highest governing body of the Company. The Board of Directors performs its duties according to the Articles of Incorporation and resolutions passed in the shareholders' meeting and it is responsible for passing the company's business plans, annual financial reports and semi-annual financial reports, assessment on the effectiveness of the internal control system, appointment/dismissal of the CPA, and the appointment and dismissal of managerial officers. The Board of Directors has also established and Audit Committee, Remuneration Committee, Risk Management Committee, Sustainable Development Committee, and Ethical Management Committee to assist in the deliberation of various proposals and ensure the quality of the Board's decisions.



Board and Committee Information

Meeting Name	Board of Directors	Audit Committee	Remuneration Committee	Risk Management Committee	Sustainable Development Committee	Ethical Management Committee
Members	• 15directors • (Including5independent directors)	• 5independentdirectors	• TheBoardofDirectors consistedof3independent directorsbeforethere-electioninJune2024and 5independentdirectors afterthere-election.	• TheChairmanofMega Groupservesasthe Convener,andexecutives fromeachdepartment andtheChairmanofeach subsidiaryservedasthe members;theChiefAuditor andtheriskcontrolmanager fromeachsubsidiary attendedmeetingsas nonvotingdelegates	• Bytheendof2024,thePresident ofMegaFinancialHolding servesastheChairpersonofthe Committee;theExecutiveVice PresidentofMegaFinancial HoldingservesastheExecutive Director;thedirectorsand ExecutiveVicePresidentsof MegaFinancialHoldingand PresidentsofsubsidiariesserveascommitteemembersNote1	• TheBoardofDirectors consistedof3independent directorsbeforethere-election inJune2024and5independent directorsafterthere-election.
Authority	• Thehighestgoverningbody oftheCompany,guiding companystrategy,supervising management,andbeing accountabletotheCompany anditsshareholders.The BoardofDirectorsperforms itsdutiesaccordingtothe ArticlesofIncorporationand resolutionspassedinthe shareholders'meetingand itisresponsibleforpassing theCompany'sbusiness plans,annualfinancialreports andsemi-annualfinancial reports,assessmentonthe effectivenessoftheinternal controlsystem,appointment/ dismissaloftheCPA,andthe appointmentanddismissal ofmanagerialofficers.	• Responsibleforreviewingand approvingvariousmattersor decisions,includingbutnot limitedtotheeffectiveness evaluationoftheinternalcontrol system,compliancewithlaws andregulations,appointmentor dismissalandremunerationof auditors,transactionsinvolving significantassetsorderivative financialproducts,theissuance orofferingofequitysecurities, annualandsemi-annualfinancial reports,supervisionofthe Group'sriskmanagement,and theappointmentordismissal offinancial,accounting,or internalauditsupervisors.	• Establishandregularly reviewdirectorsand managerialofficers' performance,assess remunerationpolicy/ system,standardsand structure,andregularly assessandestablishthe remunerationfordirectors andmanagerialofficers.	• ReviewtheRisk ManagementPolicy,targets, andchangesinrelated systems,regulations,and guidelinesorrelatedrisk managementproposals,and supervisetheestablishment ofriskmanagement mechanismsofMegaGroup.	• ReviewtheGroup'sESG relatedpolicies,review andsettheGroup'sannual ESGplansandgoals,and keeptrackofandreviewthe implementationresultsofthe Group'svariousESGprojects.	• ReviewtheEthicalManagement Policyandsupervise awarenesscampaignsand trainingrelatedtothepolicy; assistwiththeintegrationof ethicalandmoralvaluesinto corporatebusinessstrategies, ensurethatpreventive measuresrelatedtoethical managementaredeveloped inaccordancewithlaw;and reviewthewhistleblowing systemandensurethe effectivenessofitsexecution.
Frequency of Meeting	Thousand NTD At least one meeting every month	At least one meeting each quarter	At least two meetings each year	At least one meeting each quarter	At least one meeting every two months Note2	At least one meeting each year
Actual Number of Meetings in 2024	14	8	9	4	7	3
2024 Director Attendance in Person Rate (%)	88.6%	97.5%	100%	88%	91%	100%
2024 Director (Including Attendances by Proxy) Attendance Rate (%)	99.5%	100%	100%	100%	100%	100%

Note 1: Starting from December 2024, the Chairman will serve as the Chairperson and Convener of the Sustainable Development Committee. The remaining committee members will be appointed by the Mega Financial Holding Board of Directors, more than half of whom should be independent directors. For details, please see 2.1 Sustainable Governance Structure.

Note 2: Starting from 2025, the Sustainable Development Committee will convene at least once a quarter and the Sustainable Development Implementation Meeting will be held at least once every two months.

3.1.2 Operations of the Board of Directors

Election of Directors

Since 2013, Mega Group has been using the candidate nomination system to elect directors every three years in accordance with the "Articles of Incorporation" and the "Procedures for Election of Directors". The qualifications of all director and independent director candidates must be reviewed by the Board of Directors in accordance with "Company Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" to ensure the transparency of the procedures for the nomination and election of directors. The Board of Directors shall verify the professional qualifications and independence of the candidates before approving the candidates in a resolution, and the directors shall be elected at the shareholders' meeting from among the nominees listed in the roster of candidates. In addition, in accordance with the provisions of the "Company Act", any change to the Company's "Articles of Incorporation" shall be subject to the consent of more than two-thirds of the shareholders' voting rights.

In addition, in accordance with the provisions of the "Company Act", any change to the Company's "Articles of Incorporation" shall be subject to the consent of more than two-thirds of the shareholders' voting rights.

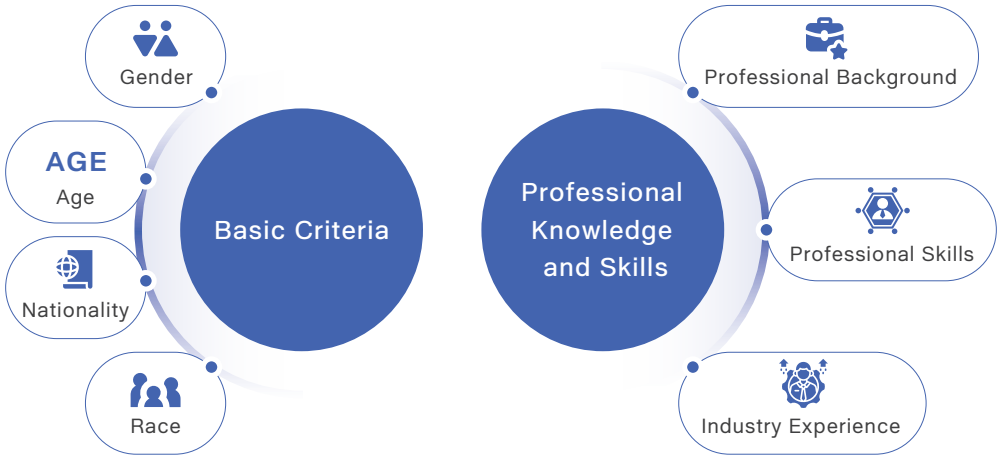
Board Independence

To ensure that independent directors can objectively exercise their duties, Mega Financial Holding specifies in the "Corporate Governance Best Practice Principles" that the tenure of independent directors should not exceed three terms to avoid a decrease in their independence due to long-term service. In 2024, the Board of Directors was fully re-elected. Among the five independent directors in the ninth term, one will be a new director, and the average term of office of independent directors is 3.5 years. The average term of office of the seventh and eighth term independent directors was 3 years and 3.6 years respectively, and there was no case where the term of office exceeded 9 years. Mega Financial Holding places importance on the independence of directors. The Chairman and the President are not held by the same person or are spouses or close relatives within the first degree of kinship. There are also no spouses or close relatives within the second degree of kinship among the directors. Our independent directors meet the independence criteria stipulated by the competent authority and do not concurrently serve as a director or independent director of more than three other companies. All directors do not concurrently serve as a director of two other public companies.

To ensure the effective implementation of the independence of directors, Mega Financial Holding has also conducted an evaluation of the external independence of directors and set a target of 8 0% of the total number of seats for directors to meet the external independence requirement, and 93.33% (14 out of 15 directors) of directors met the target in 2024. Specifically, Chairman Ray B. Dawn has been in office since August 2024 and has not concurrently served as a managerial officer of the Group, which is in compliance with the independence standard.

Major deficiencies identified by regulators at home and abroad and in internal / external audit reports and their corresponding improvements, and major issues concerning operation and business were reported to the Board of Directors for timely responses. In addition, Mega Group has clear regulations on the directors' avoidance of conflict of interests, and the directors also uphold a high degree of self-discipline. When a motion listed in the board meeting is of interest to them or the legal entity they represent, they will state the important content of their interests at the board meeting, and recuse themselves from the discussion and voting, and do not exercise their voting rights on behalf of other directors.

Board Diversity



Mega Financial Holding places great emphasis on board diversity, with directors coming from diverse backgrounds including finance, economics, accounting, financial services, law, information security, digital finance, and corporate sustainability. The "Corporate Governance Best Practice Principles" set policies for board member diversity, and the Company takes into account operational and developmental needs when considering board diversity.

In June 2024, Mega Financial Holding fully re-elected the 9th Board of Directors, which consists of 10 directors and 5 independent directors. As of the end of December 2024, 7 female directors were among the 15 members, accounting for 47% and exceeding the goal of having female directors make up 33% of the board. Currently, there are 5 independent directors and 6 female members among the 15 directors, accounting for 40%.

Board Diversity Information

Name	Title	Independence[Note 1]	Nationality	Gender	Industry Experience[Note 2]	Professional Skills				
						Risks	Finance	Law	Digital	Material
Ray B. Dawn	Chairman	IndependentDirector	Taiwan (R.O.C.)	Male	Finance	●			●	●
Chuan-Chang Chang	Director	Executive Director	Taiwan (R.O.C.)	Male	Finance	●	●		●	●
Pei-Chun Chen	Director	Independent Director	Taiwan (R.O.C.)	FeMale	Finance	●		●		●
Yih-Jiuan Wu	Director	Independent Director	Taiwan (R.O.C.)	FeMale	Finance		●			
Pocheng Chen	Director	Independent Director	Taiwan (R.O.C.)	Male	-		●			●
Ying-Ren Lee	Director	Independent Director	Taiwan (R.O.C.)	Male	Finance		●	●		
Fang-Guan Jan*	Director	Independent Director	Taiwan (R.O.C.)	Male	-					●
Hsiang-Hung-Teng	Director	Independent Director	Taiwan (R.O.C.)	Male	-	●		●		●
Kwo-Tsai Wang	Director	Independent Director	Taiwan (R.O.C.)	Male	-				●	●
Hui-Chuan Chen	Director	Independent Director	Taiwan (R.O.C.)	FeMale	-		●			
Ying Wu	Independent Director	Independent Director	Taiwan (R.O.C.)	FeMale	Finance		●		●	●
Hung-Ju Chen	Independent Director	Independent Director	Taiwan (R.O.C.)	FeMale	Finance	●			●	●
Tsai-Jyh Chen	Independent Director	Independent Director	Taiwan (R.O.C.)	FeMale	Finance	●	●			●
Chang-Ching Lin	Independent Director	Independent Director	Taiwan (R.O.C.)	Male	Finance		●		●	●
Yung-Chih Lien	Independent Director	Independent Director	Taiwan (R.O.C.)	Male	Finance		●			●

Note 1: The Board of Directors of Mega Financial Holding adopts a single track system and the directors meet the following criteria for external independence assessment as independent directors, the directors must be non-executive directors and at least four of the following nine indicators must be met, of which there must be at least two out of the first three:

(1) The director must not have been employed by the Company in an executive capacity within the last one year.
(2) The director must not accept or have a family member who accepts any payments from the Company or any subsidiary of Mega Group in excess of US$60,000 during the current fiscal year, other than those permitted by SEC Rule 4200 Definitions.
(3) The director must not be a family member of an individual who is employed by the Company or by any subsidiary of Mega Group as an executive officer.
(4) The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the Company or a member of the Company's senior management.
(5) The director must not be affiliated with a significant customer or supplier of Mega.
(6) The director must have no personal services contract with the Company or a member of the Company's senior management.
(7) The director must not be affiliated with a not-for-profit entity that receives significant contributions from Mega.
(8) The director must not have been a partner or employee of the company's outside auditor during the past one year.
(9) The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.

In addition, pursuant to Article 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", the Company's independent director may not concurrently serve as an independent director of more than three other public companies.

Note 2: Based on Tier 1 of the Global Industry Classification Standard (GICS).

Note 3: The percentage of directors aged 51 or above is 93%, the percentage of those aged 30 to 50 is 7%, and the average term of office of all directors is 2.37 years.

Note 4: To ensure the inclusiveness of stakeholders, board members are representative of various stakeholders such as senior citizens, veterans, government, investors, and non-profit organizations.

Note 5: The in-person attendance rate for the 9th Board of Directors in 2024 was 88.6%. The attendance rate including by proxy was 99.5%, meeting the 90% attendance requirement for board meetings.

Note 6: Please refer to the Group's annual report for each director's experience and other board appointments.

Note 7: Those marked with * are Director Chuan-Chang Chang who took over on April 8, 2025 and concurrently serve as the President of Mega Financial Holdings; and Director Fang-Guan Jan who took over on February 18, 2025.

Continuing Education of Directors

In response to international trends and the latest regulations on corporate governance and legal compliance, Mega Financial Holding provides a variety of external continuing education programs for its directors to enhance their capabilities in carrying out their duties and to keep abreast of the times. In 2024, board members continued to attend training courses in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE listed and TPEx Listed Companies. All 15 9th term directors completed 197 hours of training in total (of which 90 hours were ESG-related education and training), each averaging 13.13 hours. Four newly appointed directors/independent directors (refer to those serving for the first time as a director of a TWSE or TPEx listed company) completed 53.5 hours of training, each averaging 13.38 hours. The remaining 11 board members received 13.05 hours of training on average, with an investment of approximately NT$100,000. The overall training hours exceeded the requirement of 12 hours for new directors and 6 hours for re-appointed directors as specified in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies". Training courses every year for directors covered corporate governance, anti-money laundering, risk management, internal control, ESG and sustainability, and legal risks. We also review the progress of our training objective at the Sustainability Development Committee on a quarterly basis to continuously strengthen the professional competency of directors and supervisors, thereby further optimizing corporate governance. The continuing education of directors in 2024 has been disclosed on the Market Observation Post System and the website of Mega Financial Holding.

Board Performance Evaluation

To implement corporate governance and enhance the function of the Board of Directors, Mega Financial Holding established the "Board of Directors Performance Evaluation Rules" in 2015, which were publicly disclosed on the Company's website and the Market Observation Post System. Starting from 2015, the Board of Directors, each functional committee, and all directors conducted the self-evaluation every year. The Company also engages an external independent institution or expert team to evaluate the performance of the Board of Directors and each functional committee at least every three years. To enhance the completeness of the performance evaluation process and comply with the disclosure requirements of the "Corporate Governance Evaluation Indicators" of the Taiwan Stock Exchange, Mega Financial Holding revised some articles of the "Board of Directors Performance Evaluation Rules" in July 2022, in order to improve the transparency of the evaluation method and results.

The previous Mega Financial Holding's Board Performance Evaluation was outsourced in 2021. In 2024, it was outsourced to the Taiwan Institute of Ethical Management in accordance with the regulations, and the evaluation results were submitted to the Board of Directors' meeting in February 2025, and the Board of Directors' performance evaluation results of 2024 were also published in the external website of Mega Financial Holding.

3.1.3 Remuneration and Shareholding Policy

Director	• Remuneration includes directors' compensation and travel allowance. Directors' remuneration is calculated in accordance with Article 31-1 of the Mega Financial Holding's "Articles of Incorporation", which states that the current year's earnings (pre-tax income before deducting the remuneration to employees and directors) of the Company shall first be applied to cover all its accumulated losses, and not more than 0.5% of the remaining balance shall be appropriated as remuneration to directors. Where a director is a legal representative, the remuneration of the director shall be paid to institutional shareholder, and each director shall be paid travel allowance every month.
Independent Director	• Remuneration includes monthly remuneration and research expenses (separate payment of directors' remuneration is not provided). Research expenses are paid according to the number of times the independent director attended meetings of the Audit Committee, Remuneration Committee, and Ethical Management Committee. The aforementioned monthly remuneration and research expenses are determined by the resolution of Mega Financial Holding's Board of Directors.
Chairman	• Chairman's remuneration includes salary, pension fund, and various bonuses (excluding sign-on bonuses or recruitment incentives, claw-back mechanisms), as well as business expenses such as rent and fuel expenses, among other items in accordance with the "Regulations Governing the Salary Standards for the Chairman and President of State-Owned Private Enterprises and Investee Companies as Appointed or Referred to by the Ministry of Finance" and the Company's "Articles of Incorporation".

Top-Level Management Remuneration and Shareholding Policy

Mega Financial Holding pays various remuneration to its managerial officers, which are based on the Company's Articles of Incorporation, operational performance, contribution to the Company, and reference to industry standards, as well as individual performance of the managerial officers and the Company's future risks. The remuneration includes salary, retirement pension, various bonuses, employee compensation, and business expenses such as car rental and fuel costs. The compensation and bonuses of managerial officers are based on the "Employee Bonus and Remuneration Payment Rules", which have been approved by Mega Financial Holding's Remuneration Committee and Board of Directors. The evaluation takes into account the Group's ESG (including climate change, ethical management, and compliance) plan promotion, leading subsidiary companies to establish a sound sustainable governance framework, and non-financial performance of the current year, including ESG

projects (such as ongoing verification of ISO 14064 at all global operating locations and passing third-party verification, issuing TCFD report, planning and setting SBT carbon reduction targets), ESG ratings (such as corporate governance evaluation, DJSI, CDP), and performance related to government policies. The issuance of a 10% right is based on the assessment results of the competent authority or the organizer, and is evaluated by the President and approved by the Chairman. The ESG items for the assessment of the performance of the senior management of the Mega Group (7%) include the loans outstanding growth rate of the green power and renewable energy industries, the achievement of the Scope 1/2/3 greenhouse gas emission reduction goals, the compliance with social and environmental laws and regulations (including the number of cases on violating social and environmental laws and regulations in a year), information security incidents and customer personal information leakage, and achievement of general waste reduction targets. The top-level management is given a score for the assessment of ESG performance according to the actual achievement in the current year.

In addition to the fixed annual bonus of two months, performance bonuses are calculated based on indicators such as the achievement rate of the current year's pre-tax net income, pre-tax earnings per share (EPS), pre-tax return on equity (ROE), and pre-tax return on assets (ROA), compared with industry peers, and paid out based on individual employee performance. Managerial officers' related remuneration and bonus will also be paid after assessing Total Shareholder Return (TSR) performance, with a TSR of 3.05% in 2024.

To align the top-level managements with the long-term interests of shareholders, and reduce the risk of erroneous decision-making, we encourage the top-level management to purchase and hold a certain number of Mega Financial Holding's shares during their tenure.

Shares Held by Executive Managers (As of 12/31/2024)

Name	Executive Position at Mega Financial Holding	Number of Shares Held
Yu-Mei Hsiao	President	230,266
Han-Yin Ting	Executive Vice President	70,331
Chien-An Chen	Executive Vice President	10,336
Chao-Jung Chen	Executive Vice President	10,583
Nian-Tzy Yeh	Chief Compliance Officer	118,957
Ling-Chiun Lin	Chief Auditor	106,666

Basic Information on Annual Compensation for the President

Unit: NTD

Item	2023	2024
Annual mean compensation of all employees (except the President)	2,097,332	1,989,564
Annual median compensation of all employees (except the President)	1,747,953	1,527,184
Ratio between the total annual compensation of the President and the mean employee compensation in 2024	391.45%	
Ratio between the total annual compensation of the President and the median employee compensation in 2024	509.97%	

Note 1: Ratio between the total annual compensation of the President and the mean employee compensation= Total annual compensation of the President / Annual mean compensation of all employees (except the President) x 100%

Note 2: Ratio between the total annual compensation of the President and the median employee compensation = Total annual compensation of the President / Annual median compensation of all employees (except the President) x 100%

Note 3: The President's shares as a multiple of base salary was 2.36 in 2024, and the average across other executive committee members owning shares as a multiple of base salary was 1.07 in 2024.

3.2 Business Ethics

3.2.1 Ethical Management

Mega Financial Holding has established norms such as the "Principles for Ethical Management", the "Operating Procedures and Behavioral Guidelines for Ethical Management", the "Code of Conduct" and the "Employee Code of Conduct" to manage issues such as anti-corruption, fair trade, donations, avoidance of conflict of interest, intellectual property rights, and protection of trade secrets. The company regularly reports on its adherence to integrity management to the Board of Directors.

Since 2019, Mega Financial Holding has required directors and managers to sign a Statement of Compliance with the Ethical Management Policy, and in 2024, the signing rate was 100%. Any employees engaging in unethical conduct shall be punished in accordance with the relevant provisions of the Regulations Governing Rewards and Penalties according to the severity of the violation. In addition, improvement measures, such as implementation of relevant training programs, are reinforced to prevent similar negative situations from reoccurring. Furthermore, in line with the internal control and auditing mechanisms, the Company promotes the concept of ethical management, prevention plans, operating procedures, and the consequences of violating ethical behavior, and internalizes the concept of ethical management into its corporate culture. In 2024, Mega Group did not have any incidents of corruption, bribery, discrimination, harassment, money laundering or insider trading related to ethical management violations. However, there was one case of customer privacy leakage and one case of conflict of interest. The former was an employee of the Mega Bank subsidiary leaking customer card information. The Business Management Division of the main administrative unit was requested to inform the Credit Card and Payment Division to complete the notification of the incident of personal information as soon as possible and to put forward measures to improve the incident. The Business Management Division of the main administrative unit was also asked to publicize the incident to all units. When a personal information incident occurs, it should be reported within 24 hours. The latter involved an employee of the Mega Securities subsidiary who engaged in the solicitation of brokerage service for low U.S. stock brokerage fees and the solicitation of investment funds through personal social media. The respondent removed the advertisements related to the solicitation during the investigation of the case.

The Implementation of the "Principles for Ethical Management" to the Business Partners and Subsidiaries of Mega Group in 2024

Entity	Scope (%)	Signed Statement (%)	Training Provided (%)
Mega Group	100%	100% (Signed by senior-level managers, including the executive vice presidents of the Group and higher positions)	100% (Signed by full-time employees of the Group)
Business Partners (including contractors, suppliers and service providers)	100%	100%	100% (Signed by key suppliers of the Group)
Subsidiaries	100%	100%	100%

Note : The "Principles for Ethical Management" include details about anti-corruption and fair trade. All directors have received training related to ethical management.

Training on Code of Conduct of Mega Group in 2024

Training Type	Training Hours (hours)	Course enrollments
Internal Training	64,785	35,239
External Training	478	157
Total	65,263	35,396

Note : All 100% of employees of Mega Group have completed training on the Code of Conduct, achieving a 95% training completion rate.

To implement a corporate culture of ethical management, Mega Group has established the "Measures for the Administration of External Donation and Sponsorship". Mega Financial Holding and its subsidiaries refuse all forms of bribery and direct or indirect political contributions.

Political Contributions to Mega Group in 2024

Unit: NTD

Group Type	Donation Amount
Lobbyists, organizations, interest groups	0
Political organizations and candidates	0
Industry, trade associations and think tanks with political influence	0
Others (e.g. election campaigns, referendum-related expenses, etc.)	0

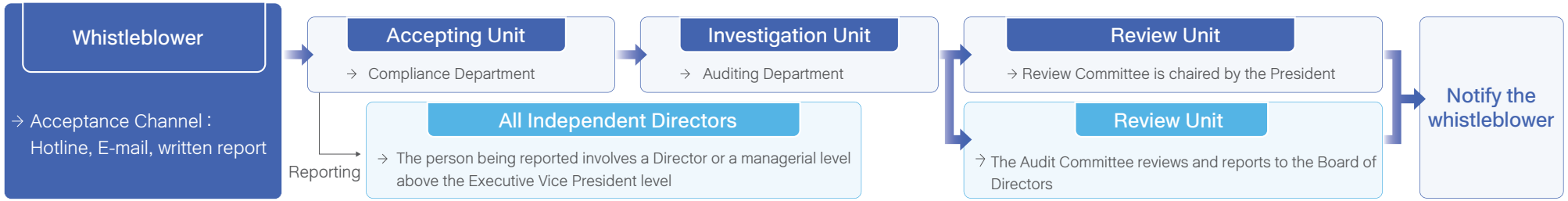
3.2.2 Whistleblowing System

Mega Financial Holding has established the "Whistleblower Case Handling Guidelines", in which the Compliance Department is responsible for receiving whistleblower cases, the Audit Office of the Board of Directors is in charge of investigating such cases, and the Review Committee of Whistleblower Cases is in charge of reviewing such cases, define whistleblower hotlines, email addresses, and protective measures for whistleblowers. The Compliance Department organizes at least one physical course related to whistleblower system promotion and education training every year for employees to understand the reporting channels and procedures of the whistleblower system. Mega Financial Holding accepts anonymous reporting, allowing whistleblowers to report illegal or irregular behavior directly to the dedicated receiving unit anonymously, and handle it in accordance with Article 15, Paragraph 1, Clause 2 of the "Whistleblower Case Handling Guidelines", which states that "internal whistleblowers shall not be fired, dismissed, demoted, have their wages reduced, or have their rights and interests under laws, contracts or customs damaged, or receive other unfavorable treatment as a result of reporting cases". This is to implement the zero-tolerance policy for retaliation and ensure that whistleblowers will not be retaliated against.

In addition, starting from 2022, Mega Financial Holding has set up a year-round Chinese-English bilingual hotline for whistleblowers to provide different languages options. If the reported situation is verified as true, relevant units of Mega Financial Holding will review their internal control systems and operational procedures, propose improvement measures to prevent similar negative events from happening again. We adhere to the principle of zero tolerance for retaliation against whistleblowers and keep their identities and reports confidential to avoid unfair treatment/unfavorable punishment or retaliation against them. If there is a specific contribution to the Company, the whistleblower will be rewarded at the discretion of the company. Moreover, if a whistleblower case is found to involve major violations or may cause significant damage to the Company during investigation, the receiving unit shall immediately prepare a report and submit it to the Board of Directors. If it is a major contingency or a violation case, it shall be handled in accordance with the "Major Contingency Operating Procedure Guidelines" and notified or reported to the relevant authorities. In 2024, the Mega Group did not have any incidents of corruption leading to the termination of contracts by business partners. Therefore, there are no related fines, guilty verdicts or cases.

In 2024, Mega Financial Holding received a total of 12 complaints, all of which came from external sources. The cases did not involve customer privacy or personal information, and were not related to conflict of interest. All the cases were handled by the Group or its subsidiaries, with the handling result as not accepted, not filed, and partially filed. According to Article 16 of the Mega Financial Holding "Whistleblower Case Handling Guidelines", if a reported case that meets the acceptance principle is not handled or delayed by the accepting unit or its personnel without a valid reason, or if the supervisor of the reported person knows that there is a violation of laws and regulations prior to the report and fails to handle the case, the case will be handled according to the company's internal disciplinary regulations. A whistleblower will be rewarded if his/her report is found to be true and has contributed to the Group in one way or another. If an internal whistleblower is found to have made false accusations, false statements, or malicious allegations, the case shall be referred to the Personnel Review Committee for consideration of punishment to demonstrate the importance that Mega Group attaches to compliance with the Code of Conduct and its determination to avoid the recurrence of related incidents. In addition, with respect to the complaints received by the subsidiaries, the subsidiaries have received a total of 17 complaints, of which 5 have been investigated and filed. These cases have been handled and improvements implemented according to the subsidiaries' complaints system. The evaluation scores of employees who have been penalized will be deducted, which in turn will affect their evaluation grades, and poor evaluation grades will be linked to the number of months of bonus payment and overall rewards, such as annual promotions.

Currently, Mega Bank's overseas branches, including the New York branch, the Australian branch and the Canadian branch, have established independent third-party reporting channels. The New York branch commissioned an external company to provide an independent reporting channel to accept reporting cases, and the reporting cases accepted by the external company were investigated by the branch's external lawyers. After the investigation is completed, the external lawyer will issue an investigation report to the branch's investigation team for review. The Australian branch has a long-term cooperation with a law firm that handles whistleblowing cases. When the law firm receives a whistleblower case, it will be transferred to the branch to handle the follow-up matters in accordance with its whistleblowing regulations. The Canadian branch also has cooperation with an accounting firm that provide firm websites, email addresses and telephone numbers as reporting channels. After the accounting firm receives a report, it will be transferred to the branch to handle the follow-up matters in accordance with its whistleblowing regulations.





Guidelines for Handling Whistleblowing Reports

https://www.megaholdings.com.tw/tc/immoral.pdf



Whistleblowing Mailbox

law@megaholdings.com.tw



Report Hotline

(02) 2395-6128

3.3 Risk Management

3.3.1 Implementation of Risk Management

Risk Management Framework

As part of its efforts to supervise the effectiveness of its group risk management mechanisms, Mega Financial Holding has established the Board of Directors as the highest decision-making body for risk management. The Board is responsible for approving risk management policies, guidelines, organizational structures, risk preferences, internal control systems, and significant business cases. Under the Board of Directors, a Risk Management Committee has been established to oversee the establishment of risk control mechanisms and ensure the implementation of risk management policies. The Chairman of Mega Financial Holding is the Convener of the Committee, and members include the President of Mega Financial Holding, Vice President, the Chief Compliance Officer, department supervisors, and the Chairman of each subsidiary. The Committee convenes meetings every quarterly as necessary to discuss and disseminate policies to each subsidiary company through the risk management units of the financial holding company and important subsidiaries. In addition, the risk management unit regularly submits the implementation status of annual risk monitoring indicators to the Audit Committee composed of independent directors for review.

Risk Management System

The “Risk Management Policies and Guidelines” and other risk management rules have been established by the Board of Directors of Mega Financial Holding. These rules stipulate the establishment of effective mechanisms for the identification, measurement, monitoring and control, reporting, and responses to risks, and the establishment of risk management targets and regular follow-up of the implementation status. In addition, the Three Lines of Defense mechanism of business units, risk management units and auditing units are established as management principles for major financial and non-financial risk categories such as credit risks, market risks, operational risks, legal and compliance risks, personal information and privacy risks, sustainable finance risks, human resources management risks, and information security management risks. Risk management mechanisms,

risk appetite, and risk management priorities are examined periodically through assessment reports, scenario analysis, and stress testing methods, in order to establish response strategies, control objectives, internal control systems and procedures, and allocation of responsibilities. Each subsidiary has incorporated these principles into its policies and goals of risk management and related internal control regulations to establish a comprehensive risk management mechanism to effectively manage the Company's operational and sustainability risks. To effectively address the risks brought about by climate change, Mega Financial Holding and its important subsidiaries have also established the "Climate Risk Management Guidelines" to strengthen climate risk management mechanisms and reduce the impact of climate change risks.

Figure. Risk Management Organization, Procedures and Scope



Risk Management Process and Prioritization

Mega Financial Holding uses the following process to strengthen the identification, measurement, response and monitoring of risk items to understand the degree of risk exposure. Relevant units of each subsidiary will discuss the management mechanism and mitigation measures, and the Risk Management Department of Mega Financial Holding summarizes the implementation situation to strengthen the effectiveness of risk management.

Risk Identification	Risk Measurement	Risk Response	Risk Monitoring/Review Tracking	Report Disclosure
Collect global climate issues and identify potential risk types that may be faced.	Analyze the latest trends, scope of impact, and possibility of risks and evaluate the impact on the Group and customers.	Prevent, mitigate or respond to various risks by formulating and implementing strategies to ensure sound operations and long-term development.	Regularly monitor risk-related qualitative indicators. Risk tolerance is defined by capital adequacy ratio. Capital adequacy management rules are formulated with reference to the FSC's "Regulations Governing the Consolidated Capital Adequacy of Financial Holding Companies". Risk monitoring and review tracking monthly to ensure risk control is within acceptable range.	Periodically submit risk reports and present the implementation status of the Group management to the Risk Management Committee and Board of Directors.

The legal capital requirements of the Mega Group are mainly based on its banking subsidiaries, and according to the weighted percentage of risky assets, credit risk (94%) is the largest, followed by operational risk (5%), and the management mechanism and mitigation measures for each risk category are listed in the table as the next page.

Risks Category	Description	Management Mechanisms	Mitigation Measures
Credit Risks	The risk of loss arising from the borrower, issuer or counterparty's failure to fulfill its contractual obligations due to the deterioration of financial condition or other factors.	• The "Credit Risk Management Rules" approved by the Board of Directors of Mega Financial Holding specify the Group's concentration risk limit for the same person, group, industry and country, and set up early warning standards and monitoring mechanisms to avoid excessive risk concentration. • Mega Financial Holding's Risk Control Department regularly reports to the management, the Risk Management Committee and the Board of Directors on the Group's credit risk concentration control. • The subsidiaries have set up pre-approval procedures and standards for credit application, regularly conduct post-loan tracking and management, and increase the frequency of review for high-risk targets to strengthen post-loan management. • The subsidiaries classify credit ratings based on the probability of default or behavioral scores of credit recipients and implement credit grading management.	• In accordance with the prescribed procedures for credit application and credit granting, the Group will request collaterals and guarantors at its discretion, taking into account the financial and credit conditions of the customers. • Transactions are usually settled on a gross basis, with net settlement agreements entered into with some counterparties. Or all transactions with the counterparty are terminated and settled on a net basis in the event of a default, in order to further reduce credit risk. • Some financial instruments are guaranteed by third parties or financial institutions. In addition, there are offsetting clauses in the bank's credit contracts, which clearly define that, upon the occurrence of a credit event, the deposits placed with the creditors may be offset against their liabilities in order to reduce the credit risk.
Operational Risks	Risks due to losses caused by inappropriate or negligent errors in internal operations, personnel and systems or by external events.	• The "Operational Risk Management Rules" approved by the Board of Directors of Mega Financial Holding stipulates that when an operational risk loss event occurs, the operating unit should immediately notify the relevant personnel, review the cause of the event afterwards, propose an improvement plan, and track the progress of the improvement. • Mega Financial Holding's Risk Control Department has established an operational risk database and management system, and regularly prepares operational risk management reports to present the Group's operational risk loss situation to he management, the Risk Management Committee, and the Board of Directors. • The subsidiaries conduct self-assessment of operational risks every year and report the annual self-assessment results to Mega Financial Holding to enhance risk awareness and reduce operational risks.	• Tracking of unresolved operational risk cases every month and subsidiaries are requested to update improvement measures and the latest progress. If a case requires operation to collect information, the timeline or expected completion date must be stated to strengthen operational risk control. • Subsidiaries have established operational risk-related indicators and report them to the Risk Management Committee on a quarterly basis. If there are any indicators with early warnings or exceeding the limits, a separate discussion must be submitted for explanation in order to effectively minimize operational risks. • Risk management assessment of subsidiaries is conducted annually, and the assessment items include the accuracy of the reported information, the operation risk self-assessment process, and the notification of operation risk loss events, which are used as the basis for personnel evaluation.
Market Risks	Market risk due to changes in interest rates, foreign exchange rates, credit ratings, or fluctuations in the prices of stocks, bonds, or commodities leads to uncertainty in the fair value of financial instruments and estimated cash flows.	• Risks are limited to a tolerable level so that fluctuations in interest rates, foreign exchange rates, and prices of financial instruments will not affect future earnings and the value of assets and liabilities.	• Based on business policies, domestic and international economic conditions, future market profits, exchange rates, and price trend forecasts, we formulate trading strategies within risk management objectives, determine the trading scope and amount of the money market, capital market, foreign exchange market and derivative instruments, and coordinate the formulation of business objectives. • The trading book operates mainly in the form of bills and securities held by dealers due to the market, while the bank's financial instrument trading policy adopts the principle of back-to-back operation, and the non-trading book is based on hold-to-maturity and hedging measures. • Daily monitoring of financial instrument positions, assessment of profit and loss, and other risk changes, and monthly stress tests, sensitivity risk factor analysis, Mega Financial Holding Risk Management Department regularly summarizes the Group's execution of market risk management to report to the Group's Risk Management Committee and the Board of Directors.

Three Lines of Defense Structure

The First Line of Defense	The Second Line of Defense	The Third Line of Defense
Business Unit	Risk Management and Compliance Unit	Audit Unit
The staff on the first line of defense in each subsidiary are responsible for identifying and managing risks, and developing and implementing effective internal control procedures.	The risk management and compliance unit establish risk management policies, and assesses risk tolerance, sets various risk indicators or limits for regular monitoring and control, regularly keeps track of improvements to anomalies, and reports to the Board of Directors.	The audit units of Mega Financial Holding and each subsidiary perform regular audits on business and management units and report results to the Board of Directors to ensure the normal operation of internal control system.

Risk Assessment for Business and Product Development

Before each subsidiary of Mega Group launches new businesses or products, it will discuss with relevant departments (such as risk control units, etc.) in advance to seek for information systems support, risk assessments, relevant regulations, and various risk control points (such as credit, market and operational risks, etc.), and then report to the authorized supervisor for approval. In addition, regular follow-up reviews are conducted after the launch of new businesses or products for reference in subsequent decisions. When subsidiaries launch new businesses or products, in addition to approval by the Board of Directors, relevant departments must conduct various risk assessments, track results regularly, and review and amend risk management rules or risk management implementation details for reference in subsequent decision-making.

Each subsidiary must complies with the Group's “Risk Management Policies and Guidelines” and the risk management rules of each subsidiary, consider the characteristics and complexity of the business, formulate risk management implementation rules for internal risk management measures, and link products with performance to enhance the performance management system. For example: Mega Bank has included the issuance of zero-carbon credit cards, CKI has included premium income from agricultural insurance, and Mega Securities has included the proportion of investment positions in the sustainable/green energy industry as performance appraisal targets.

Education and Training on Risk Management

In order to enhance employees' risk awareness and establish a risk management culture to facilitate the effective implementation of the Group's risk management policy, Mega Group has clearly stipulated through the "Guidelines for Subsidiary Risk Management Performance Evaluation" that employees' participation in various internal and external risk management-related education and training will be included in the assessment criteria and linked to their performance, including: (1) the number of participants or total hours of training courses has increased compared to last year; (2) the risk control colleagues of each subsidiary participate in professional risk management courses or hold internal risk management education and training. Those with better participation and training will be given extra points.

Employee Training on Risk Management by Mega Group in 2024

Training Type	Training Hours (hours)	Number of Trainees
Internal Training	113,104	53,902
External Training	32,094	5,997
Total	145,197	59,899

Note：100% of Mega Group employees have completed risk-related education and training.

In 2024, the Directors of the Mega Financial Holding continue to study in accordance with the hours specified in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies". The total number of training hours for all directors was 185 hours, of which 45 hours were for training hours related to climate and nature. For detailed information on Directors' continuous education, please refer to the Public Information Observation Station or the Mega Financial Holding's official website.

3.3.2 Assessment and Response to Emerging Risks

As the financial environment becomes increasingly complex, Mega Group not only incorporates existing risk assessments but also includes emerging risks in the scope of risk management. The Group issues questionnaires to various units to evaluate significant emerging risks and makes it an important part of daily risk management. Each subsidiary is required to report on significant risk issues (including emerging risks) to the Mega Financial Holding's Board of Directors and Risk Management Committee. In addition, to cope with the impact of climate change on operations, personnel, and business activities, Mega Group takes preventive measures against potential risks and actively supports important environmental projects or plans of enterprises or social groups, providing business cooperation opportunities. The Group also continuously collects risk reports from major global institutions and information from individual or corporate customers to identify the latest trends in emerging risks and adopt effective classification management.

Emerging Risk Assessment Procedures

STEP 1
Risk Identification
To define and set the scope of emerging risks, we refer to the World Economic Forum (WEF) Global Risks Report and the DJSI Questionnaire for the definition. After internal discussions, considering that subsidiaries have regularly report dynamic risk management matters such as economic conditions and geopolitical risks to the Risk Management Committee, geopolitical and economic conflicts (such as the Ukraine-Russia and Israel-Kazakhstan wars) and debt crises were excluded, and 11 emerging risk factors were identified.

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STEP 2
Risk Assessment
Through questionnaire survey, the Risk Management Department evaluates the above risk factors according to "Likelihood of Occurrence" and "Degree of Impact", calculates and ranks "Risk Sensitivity" (likelihood of occurrence × degree of impact), and draws the "Emerging Risk Matrix".

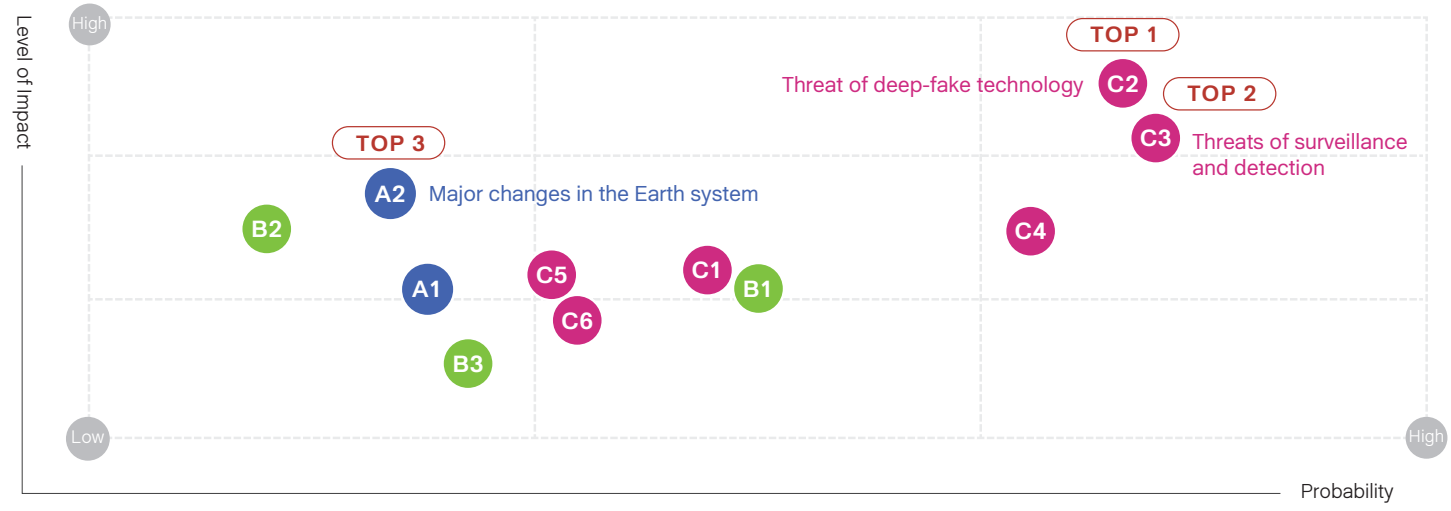
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STEP 3
Risk Response
The top three emerging risks in the next three to five years were identified as "Threat of Deep-fake Technology", "Threats of Surveillance and Detection", "Major Changes in the Earth System", and relevant countermeasures were formulated.

→

STEP 4
Risk Reporting
The results of emerging risk identification were presented and disclosed in the Sustainability Report.

Emerging Risks Matrix



- A1 Biodiversity loss and ecosystem collapse
- A2 Major changes in the Earth system
- B1 Inequality or lack of development opportunities
- B2 Involuntary migration
- B3 Social polarization
- C1 Impact of artificial intelligence
- C2 Threat of deep-fake technology
- C3 Threats of surveillance and detection
- C4 Threats of misinformation and fake news
- C5 Lack of AI governance and management
- C6 Lack of blockchain technology

Risk Factor	Threat of Deep-fake Technology	Threats of Surveillance and Detection	Major Changes in the Earth System
Risk Type	Technology risks	Technology risks	Environmental risks
Description	• The use of AI to generate false images or sounds to create fake videos to commit crimes (e.g., AI face changing technology) leads to individuals or businesses being defrauded, resulting in the leakage of personal information or loss of property, and jeopardizing business development. • According to the World Economic Forum (WEF), it is predicted that more than 90% of the content on the Internet will be generated by AI by 2026, making commercial fraud using deep-fake technology a new threat. • According to iThome's 2024 Information Security Survey, 8.5% of enterprises believe that they may encounter the risk of fraudulent use of deep-fake technology in the coming year, which is twice as much as that of 2023, especially in the financial industry, which reaches 14.8% in 2024, indicating that the use of deep-fake technology to engage in financial crimes will seriously impact the long-term development of the financial industry.	• The use of advanced technologies (e.g. Global Positioning System (GPS), Artificial Intelligence (AI) and Machine Learning (ML), Intelligent Surveillance Systems and Drones to monitor and track individuals or businesses, such as the collection of digital footprints of users through cellphones and monitors, including location, conversation records and daily activities, will seriously infringe on personal privacy, freedom, and trade secrets. • According to iThome's 2024 Financial Security Risk Map, among the 14 high-risk and high-impact security risks, social engineering and hacking threats have been the top security risks in the financial industry for two consecutive years. • Customer data is the most important digital asset in the financial industry and is also the most coveted target by hackers. Hackers' intrusion into systems to commit financial crimes will have a great impact on the financial industry and must be prevented.	• The long-term irreversible changes to the Earth have exceeded the tolerable threshold, causing significant impacts on the health of the planet and human life, which will be detrimental to the future development of Mega Group, and the financial impacts are difficult to estimate. • According to the World Meteorological Organization (WMO), 2024 had been the hottest year on record, with global average temperatures exceeding the 1.5°C threshold for the first time, leading to more frequent extreme climate disasters such as fires, heat waves, floods and droughts, posing a serious threat to human health and ecosystems. • In 2024, the Amazon rainforest experienced severe drought, which weakened the function of an important global carbon sink and caused significant losses to biodiversity. This irreversible change has long-term consequences for the global ecological balance. • Environmental risks may have a huge impact on the financial industry. For example, natural disasters may reduce the value of mortgage collateral, which may affect the borrower's repayment ability and increase the risk of default.
Impact and Influence on Businesses	• **Business Fraud:** The use of deep-fake technology to impersonate company executives or important customers to make large transfers or disclose sensitive information. According to TransUnion HK's report on the state of fraud across all channels in the first half of 2024, the revenue lost by global enterprises due to fraud accounted for about 6.5% of their total revenue. If Mega Group suffered the same proportion of losses, the estimated loss would be NT$2.26 billion. • **Trust Crisis:** Deep-fake technology makes it difficult to recognize the authenticity of video and audio, which increases the uncertainty and risk of financial transactions and may lead to a decline in customers' trust in Mega Group. According to statistics from the National Police Agency, approximately 13.23% of fraud victims are over the age of 50. According to internal statistics from Mega Bank, approximately 45% of customers are over the age of 50, which reflects the importance of the elderly customers. Mega Group needs to actively promote various services and activities for the elderly customers base. • **Legal Risks:** To prevent the impact of deep-fake technology applications, financial institutions need to comply with additional regulatory requirements to ensure the authenticity and integrity of data, which increases legal compliance costs and operational complexity. In response to technological fraud, Mega Group has continued to increase its compliance personnel costs. For example, the number of employees in the Anti-Money Laundering and Financial Crime Compliance (AML & FCC) Department of Mega Bank in 2024 has increased by approximately 1.26% compared to the previous year, with the number of closely-contact fraud prevention employees accounting for approximately 4% of the total number of employees, and the cost of fraud prevention employee training accounting for approximately 6.88% of the total cost of staff training.	• **Infringement of Privacy Rights:** Financial institutions possess a lot of personal data, including transaction, fund and conversation records, which, if misused or leaked, would infringe on personal privacy and may lead to loss of customers or lawsuits. In 2024, the number of online orders placed by Mega Securities customers accounted for 87.49%, which shows the importance of online transactions. Mega Group must be more proactive in protecting customer privacy and transaction security. • **Leakage of Trade Secrets:** Once a company's trade secrets, such as transaction strategies and customer information, are improperly monitored and tracked, they may be obtained by competitors, resulting in loss of competitive advantage and economic losses. • **Security Risks:** Hackers use social engineering and ransomware attacks, which requires more resources from Mega Group to strengthen security protection. In 2024, a pro-Russian hacker group launched a DDoS attack on Taiwan, causing the websites of Mega Financial Holding and its subsidiaries to crash. Mega Group must continue to strengthen its information security protection measures to deal with these cyber threats.	• **Challenges of Insurance Business:** Frequent occurrence of extreme weather events, such as typhoons, floods and wildfires, has put insurers under huge pressure to pay out claims, prompting them to reassess their response strategies. In 2024, typhoons Kemi and Krathon hit Taiwan successively. CKI received a total of 254 fire insurance claims with estimated losses of NT$74.71 million. • **Impact on Nature-related Industries:** Natural disasters have an impact on Mega Group's investment and financing clients. Mega Group estimates that approximately 31.72% are nature-related sensitive industries, among which construction materials, paper and forest products, as well as power generation, are highly dependent on groundwater resources. In addition, construction materials, metals and mining, and power generation have a more significant impact on terrestrial ecosystems and require special attention to major changes in the earth's system in order to ensure the sustainability and stability of investment portfolios. • **Increased Regulatory Pressure:** Governments and international organizations have increased their regulatory requirements on financial institutions, such as the Global Reporting Initiative (GRI), which released "GRI 101: Biodiversity 2024", which will come into effect on January 1, 2026, prompting financial institutions to take action on nature. The International Sustainability Standards Board (ISSB) has begun work on a draft disclosure standard (IFRS S3) to incorporate nature-related disclosures into the framework. TNFD has issued guidance in September 2023 emphasizing the need for companies to disclose nature-related risks and opportunities, and impacts on biodiversity. Mega Group needs to strengthen the professional knowledge of relevant internal personnel and carry out long-term and continuous training and cost investment.

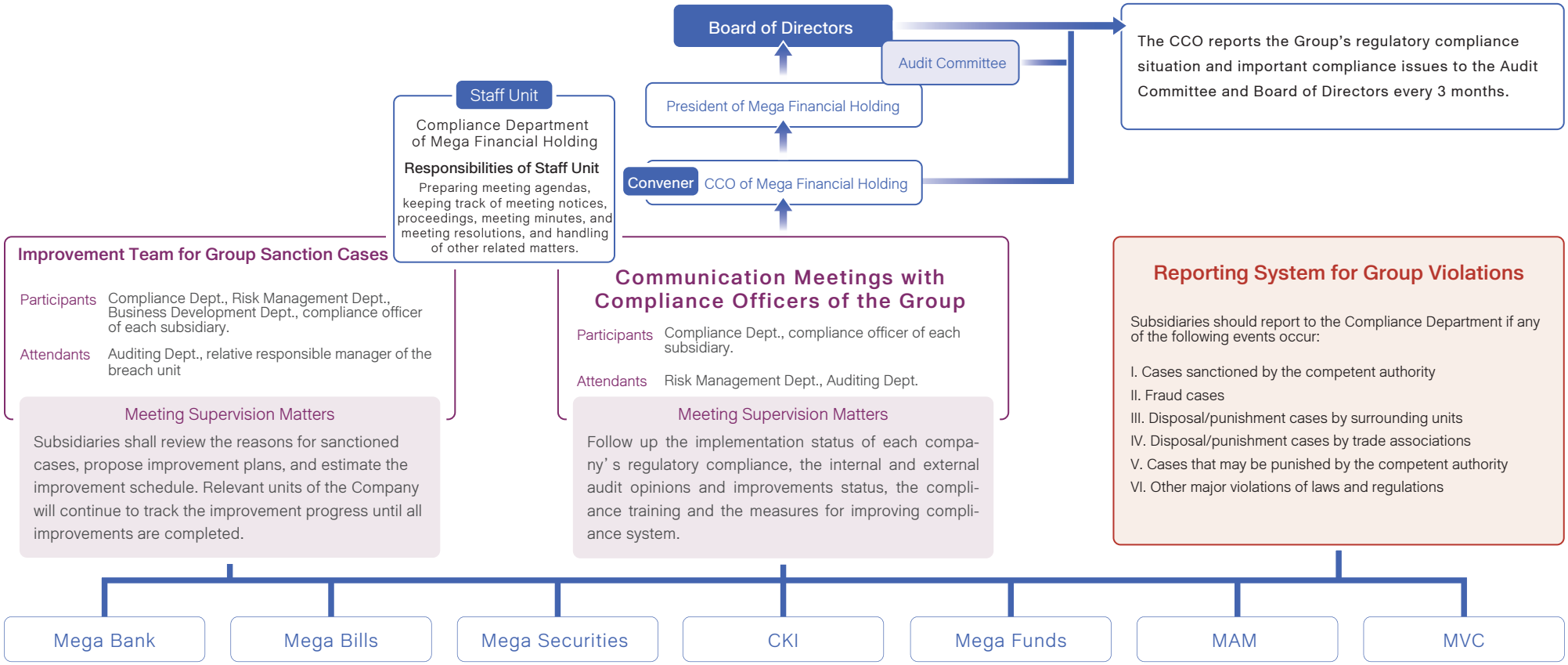
Risk Factor	Threat of Deep-fake Technology	Threats of Surveillance and Detection	Major Changes in the Earth System
Mitigation and Response Measures	• **Collaboration with the Criminal Investigation Bureau (CIB):** Mega Financial Holding and the Criminal Investigation Bureau have signed a letter of intent for cooperation in "Financial Fraud Prevention and Information Security Joint Defense" to jointly combat fraud and establish an anti-fraud protection circle. • **Organizing an "Anti-Fraud Alliance":** On January 21, 2025, Mega Bank invited the eight largest public banks to cooperate with the technology industries of information security, blockchain, instant messaging, cloud services, and AI chips to combat financial fraud by combining the flow of money with the flow of information, so as to enhance the overall anti-fraud efficiency and public awareness in fraud prevention, and to form a stronger anti-fraud network. • **Launched the "68017" short code SMS service:** Mega Bank has partnered with iTe2 Technology Inc. to launch the "68017" short code SMS service to ensure that the SMS messages received by customers are authentic and reliable, and to prevent fraud syndicates from sending fake messages in the name of the bank. • **Strengthening Credit Fraud Prevention Mechanisms:** Customers applying for loans are required to fill in the URL of the investment channel, and the system automatically compares the database of the Ministry of the Interior's "165 National Fraud Prevention Network" to screen for potential fraud risks. • **Establish Fraud Prevention Mechanism:** Mega Bank's AML & FCC Department established an "early warning model" in May 2024, through which it determines abnormalities and auto-controls to reduce the use of manned accounts. • **Strengthening Quota Control:** Mega Bank provides friendly and caring services for elderly consumers. It handles credit card applications, temporary credit limits and permanent credit limit adjustment businesses, and adopts case-by-case review and care mechanism to protect the security of senior cardholders.	• **Confidentiality of Customer Information:** We have established customer information confidentiality measures, incorporated customer personal information protection into the internal control system, and carried out employee education and training. Each year, a third-party is commissioned to verify our personal data protection practice, thereby ensuring the effective protection of customer privacy and personal data. • **Implementation of Personal Data Inventory:** According to the Personal Data File Security Maintenance Guidelines, we regularly conduct an inventory of personal information every year to protect the rights and interests of our customers. • **Adopt Protection Mechanism:** The Group purchased Akamai CDN services to gradually introduce protection to the official website and trading system to strengthen defense against hackers' DDoS attacks. • **Strengthening Information Security Systems:** Mega Group regularly performs system vulnerability scans and penetration tests every year and established a SOC to ensure the appropriateness and effectiveness of its information security and network risk management. • **Raise Awareness on Information Security:** To raise employees' awareness of information security and avoid personal information leakage due to phishing attacks, Mega Group has completed social engineering exercises regularly every year and conducted employee information security training aimed at reinforcing the concept of information security and reducing information security risks.	• **Strengthening Insurance Business Control:** Business units have been asked to strengthen underwriting and prudent assessment when underwriting business with natural disaster risks, and to arrange reinsurance properly to diversify risks. CKI has set a cumulative limit of NT$330 million per peril for natural disaster losses and utilized modeling for assessment to reduce claims risk. • **Strengthening Natural Capital Risk Assessment and Management:** In response to the impact of major changes in the earth system, TNFD's LEAP methodology is used to assess natural risks, identify Mega Group's dependence on and impact on natural capital, formulate relevant management measures, and use the ENCORE tool to assess the investment and financing portfolio's dependence on ecosystem services and biodiversity impacts. • **Post-loan Management Assessment:** Offshore wind power financing clients are required to provide semi-annual reports on environmental and social issues after the loan period, and conduct assessments on environmental monitoring, conservation, and stakeholder management for cetaceans, black-faced spoonbills, and fisheries. • **Green Finance Products:** Launched the e-Happy MasterCard Debit Card which incorporates wildlife conservation and afforestation to encourage consumers to participate in natural ecological protection. • **Comply with International Standards:** We follow the TNFD, IFRS S2 framework, and the United Nations Convention on Biological Diversity to establish a business model that is in harmony with the natural environment. We are committed to following the principles of biodiversity protection and "zero deforestation" when adding or relocating operating locations.

3.4 Regulatory Compliance

3.4.1 Regulatory Compliance Management Mechanism

Mega Group considers compliance with laws and regulations to be a key part of its internal control system. The Compliance with Laws and Regulations System has been established in accordance with the regulations of FSC's "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries". A specialized unit, the Compliance Department, has been designated to plan, manage, and execute the compliance system. It is subordinate to the President and is responsible for supervising the legal compliance of its subsidiaries. To strengthen the independence of compliance, Mega Financial Holding ha also appointed a Chief Compliance Officer (CCO) who is responsible for overseeing compliance affairs and reports to the Audit Committee and Board of Directors every six months.

If any significant violation of laws and regulations occurs or there is a downgrade by the competent authority, the Compliance Department should immediately report to the Board of Directors and submit the compliance-related issues. Each subsidiary (except for Mega Venture Capital) also appoints a compliance officer, who is responsible for compliance planning and promotion. Furthermore, Mega Group holds quarterly meetings led by the CCO to communicate with the compliance officers of various companies within the Group. Discussions are held on compliance systems implementation, internal and external audit opinions and improvement, compliance education and training, and compliance system improvement measures. In 2024, a total of four meetings were held for the communication of compliance supervisors within the Group.



Compliance Training

Mega Group has strengthened the employees' legal compliance knowledge and abilities through ongoing training programs for Group employees. Each Company's legal compliance officers and their supervisors are required to attend at least one additional legal compliance-related training course each year, in addition to the number of legal training hours required by law.

Mega Group's Compliance Training in 2024

Training Type	Training Hours (hours)	Number of Trainees
Internal Training	115,326	60,567
External Training	32,879	5,523
Total	148,204	66,090

Note : The target achievement rate of legal compliance training of Mega Group reached 100% in 2024.

3.4.2 Audit System

Mega Financial Holding has established a general audit system in accordance with the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" of the FSC and has set up an internal audit unit under the Board of Directors to carry out audit work and assist the Board of Directors and management in evaluating the effectiveness of the internal control system. The internal audit unit formulates the annual audit plan based on the subsidiaries' nature of their business operations, overall risks, and the implementation status of their internal control system. It conducts a general business review and project business review of Mega Financial Holdings every year, and a special review of each subsidiary's finance, risk management and compliance every six months. The internal audit unit keeps tab on the deficiencies until improvement is made, and regularly reports business implementation status to the Audit Committee and the Board of Directors. In addition, the internal audit unit supervises the operation of the audit work of the subsidiaries in accordance with the relevant regulations of the Group's subsidiaries. It assesses the effectiveness of subsidiaries' internal auditing operations annually and requests each subsidiary to report the assessment to its own Board of Directors after reporting to the Audit Committee and the Board of Directors of Mega Financial Holding for personnel evaluation purposes.

Audit-related Professional Examinations or Relevant Certifications of Mega Group in 2024

Name of Examination or Certification	Number of Employees
Proficiency Test for Bank Internal Control and Audit	466
Certified Internal Auditors (CIA)	2
Certified Information Systems Auditors (CISA)	1
International Internal Auditor	203

3.4.3 Penalty Cases

In 2024, Mega Group received a total of 5 penalty cases notified by the competent authorities, of which none were cases relating to major penalties that exceeded the significant threshold of NT$1 million. These penalty cases did not involve corruption, fraud, or anti-competition related matters, and relevant measures have been formulated to strengthen control and prevent similar incidents from happening again.

Case		Description	Fines	Other Penalties	Improvement Measures
1	Mega Bank	Administrative penalties for late reporting and uploading incorrect statements of overseas branches	Approximately PHP 289,200	None	• Appointed the local Risk Controller as the supervisor of the second line of supervision to strengthen the review function of the second line of reporting uploaded to the Bangko Sentral ng Pilipinas (central bank of the Philippines). • The local compliance department provided education and training to the accounting department in response to this incident and jointly developed a prevention mechanism. • To minimize human key-in errors, a contract was signed with a local company that provides verification report systems (Soft App) to set up an automated report output system for the Bangko Sentral ng Pilipinas and to strengthen the verification report software function.
2			Approximately PHP 54,000	None	
3			Approximately PHP 28,800	None	
4	Mega Securities	Violation of Labor Standards Act	NT$90,000	None	• Eliminated the system of withdrawing funds from the error accounts and returned the funds from the error accounts to employees (including current and former personnel).
5		Violation of securities management regulations	NT$300,000	Corrective action	• A new product verification and judgment method for loss-absorbing capacity (TLAC) bonds has been added, while Bloomberg product basic information is updated in the system every day. If a customer is found to have mistakenly purchased a TLAC bond, the customer will be notified as soon as possible to fulfill the manager's duty of care. • The template for recording the content of sales personnel accepting bond commissions has been revised to include the bond credit rating as part of the items that should be recorded, and sales personnel are required to ensure that they are implemented.

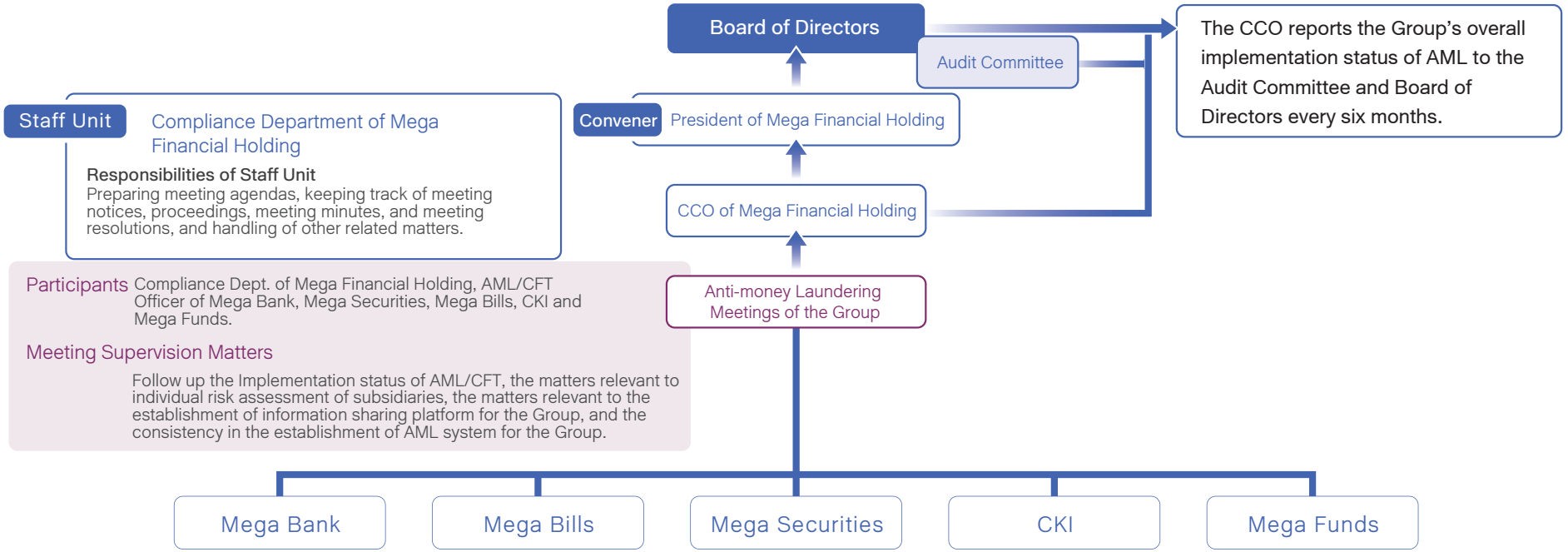
3.5 Combat Crime

3.5.1 Combat Crime Management Mechanism

Through the management mechanism and the anti-money laundering (AML) policies of the Group, Mega Financial Holding implements the provisions of the "Money Laundering Control Act", the "Counter-Terrorism Financing (CFT) Act", and the "Regulations Governing AML of Financial Institutions". The Company supervises its subsidiaries to implement customer due diligence, transaction monitoring, and education and training. In addition, the Company has established an AML monitoring and list screening system and improved the training of AML personnel.

To supervise and manage the AML/CFT of subsidiaries, Mega Financial Holding established a special unit called Compliance Department and the President regularly holds the "Anti-Money Laundering Meetings of the Group" to supervise the implementation of AML/CFT of each subsidiary. The scope of supervision covers the implementation of regular customer audits, staff education and training, reporting of suspected money laundering (ML) or terrorist financing (FT) transactions, investigation of ML/FT transactions, AML meetings and working group operations, ML/FT risk appetite threshold, and AML compliance testing. A total of four Group AML meetings were held in 2024.

The Board of Directors also assigns the Chief Compliance Officer (CCO) to supervise the Group's AML/CFT efforts and to report to the Audit Committee and the Board of Directors on a semi-annual basis on the implementation of the Group's such efforts. In addition, AML/CFT Committees or working groups have been established in each of the banking, securities, bills, insurance and trust subsidiaries to facilitate the management of the Group's AML/CFT operations in a hierarchical manner.



3.5.2 Combat Crime Measures

Mega Financial Holding follows regulatory requirements and establishes consistency standards for the group, including the "AML/CFT Policy", "Overall AML/CFT Plan," and the "AML/CFT Information Sharing Procedures", to effectively prevent ML/FT transactions.

Each subsidiary company complies with domestic laws and regulations, the Group's consistency standards, and refers to the forty recommendations of the Financial Action Task Force (FATF) on AML/CFT. They have established a sound organizational structure and policies and procedures to effectively identify and assess ML/FT risks, and control the identification of higher money laundering threats and vulnerabilities to meet the requirements of international standards. The implementation process includes physical and non-physical customer due diligence (CDD), terrorist financing list review, review and monitoring of lists of politically important persons, and senior management involvement in customer audits for high ML/FT risks. In addition, each subsidiary company exchanges information on high-risk customer lists and suspected cases of ML/FT through the Group's AML/CFT information sharing platform. In 2024, there were no incidents of money laundering or insider trading in Mega Group.

Key Combat Crime Measures adopted by Mega Bank

Conduct Institutional Risk Assessment (IRA) for ML/FT Activities	• Conduct at least one annual risk assessment for ML/FT, weapons proliferation, and sanctions at the bank-wide level. Quantitatively and qualitatively analyze the results of the risk assessment, consolidate risk assessment reports, internal control evaluation items, and improvement plan schedules, and report to the Compliance Committee and Board of Directors in accordance with legal requirements.
Establish an AML System	• To identify and control money laundering threats and vulnerabilities, we established various AML systems, including transaction monitoring and list scanning, to prevent ML/FT.
Customer Identification Due Diligence	• Mega Group developed "Domestic Unit AML/CFT Customer Identification Guidelines", "Domestic Unit Identification of Politically Important Persons Handbook", "Domestic Unit Identification of Actual Beneficiaries and Anonymous Stocks Handbook", for compliance by the business units.
List Verification and Sanctions Risk Control	• We formulated a "List Verification Handbook" to conduct list verification of customers and transaction-related persons, and conduct due diligence on transactions with the "Self-Defined High-Risk Countries Involved in Sanctions". In addition, we identify the risk of sanctions and control the targets and countries or regions that involve the risk of sanctions by including them in our "self-established list" or "Self-Defined High-Risk Countries Involved in Sanctions", or by adding risk reduction measures on a case-by-case basis.
Join the Association of Certified AML Specialists (ACAMS)	• Joined the Association of Certified AML Specialists (ACAMS) as a corporate member and disclosed the "AML and Sanctions Risk Appetite Statement" and "AML/CFT Internal Control System Statement" on the official website of Mega Bank to demonstrate the determination to combat illegal activities.
Policies and Identification, Periodic Review and Monitoring of High-Risk Customers such as Politically Important Persons (PEPs)	• Customers (including PEPs) that have been assessed and identified as having specific high-risk factors should be subject to enhanced customer due diligence measures, and ongoing customer reviews should be conducted annually to ensure that transactions with such customers that reach a certain threshold should be undertaken after confirming the purpose of the transaction, the source and destination of funds, and that relevant transaction documents should be requested when necessary. Before establishing a new business relationship with a politically important person, the application should be sent to a specialized unit for review.
Centralized Suspicious Transaction Report (STR) Project	• In response to STR operations, the "Operation Manual for Domestic Units to Report Suspected ML/FT Transactions" was formulated. For suspicious transaction cases generated by each domestic unit through business processes or system monitoring, if the transaction content is suspicious or meets the suspected money laundering or capital terrorism patterns issued by the competent authorities after verification, identification, and confirmed investigation processes, the transaction will be submitted to the specialized handling unit in a systematic manner for subsequent reporting in accordance with the Manual's specifications.
Application of Legal Compliance Technology (Regtech)	• Regtech utilizes big data analysis and machine learning models to define higher-risk customers/situations and centralize investigation resources. Currently, Regtech applications include detection of internal fraudulent behavior of staff, misappropriation of customer funds, and assessment of reasonableness of customer transactions during regular reviews. To ensure that the list scanning system is sanctioned and the control lists are up-to-date, robotic process automation (RPA) is used to assist in the daily list scanning tests and the test reports are generated and retained.
Anti-Fraud Unit	• In 2024, a cross-departmental Anti-Fraud Unit was established. The AML & FCC Department serve as the dedicated anti-fraud unit, while the Chief Compliance Officer will serve as the highest anti-fraud supervisor. The unit also holds meetings regularly to discuss and carry out anti-fraud related work.

Education and Training on Combating Crime

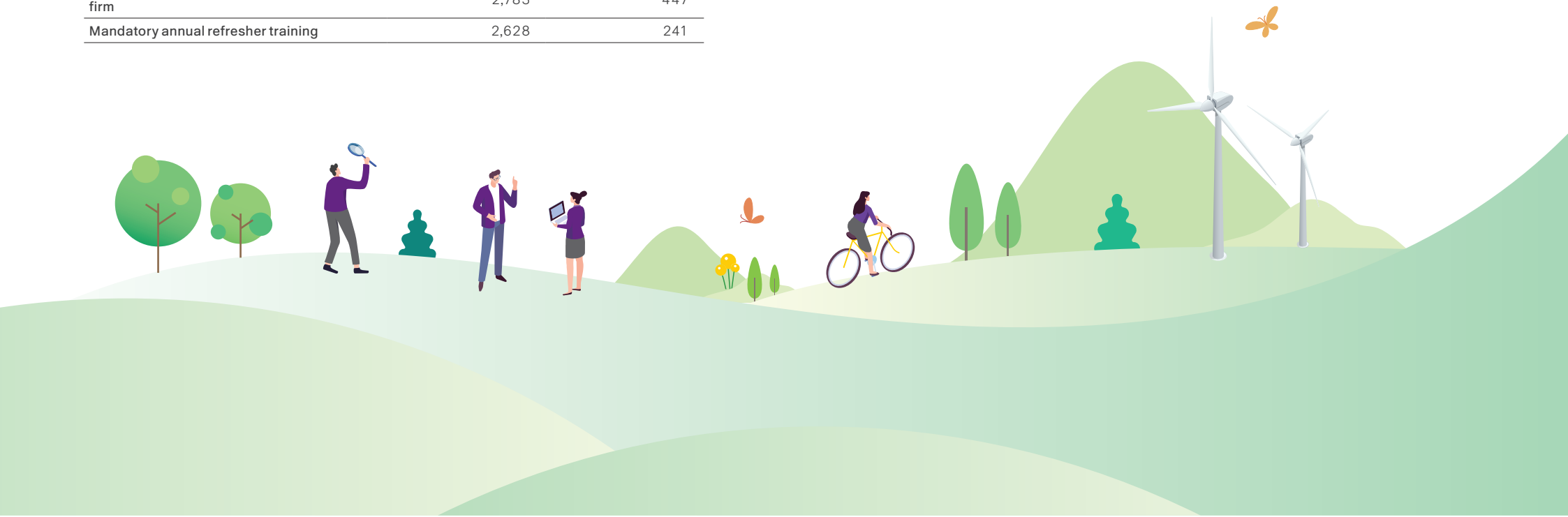
Mega Group is committed to AML/CFT, and invites internal and external experts to conduct AML training and related lectures in various formats every year, including physical lectures, digital learning, and video training, in order to enhance the professional knowledge and skills of AML/CFT personnel. The completion rate of statutory training hours for personnel reached 100% in 2024.

Mega Group's Training on Combating Crime in 2024

Training Type	Training Hours (hours)	Number of Trainees
Regular, on-going intranet-based training with case studies	51,918	31,880
Computer-based training sessions with self-assessment check	9,487	3,876
Face-to-face training by compliance/legal officers	6,655	3,171
Face-to-face training by specialized external firm	2,783	447
Mandatory annual refresher training	2,628	241

Crime Combatting-related Professional Examinations or Relevant Certifications of Mega Group in 2024

Name of Examination or Certification	Number of Employees
Certified AML Specialists (CAMS)	32
Professional Exam for AML/CFT Specialist	325



3.6 Tax Governance

3.6.1 Tax Governance Policy

Mega Financial Holding established the "Tax Governance Policy" to keep up with the international trend of tax governance, implement compliance with tax laws and regulations, and achieve the sustainable development of the company. The policy states that the Board of Directors is the final decision maker of a tax risk management mechanisms who approves the entire "Tax Governance Policy" and ensures that the policy is effectively adopted; and that the Treasury Department is the unit responsible for tax management and regularly reports tax management progress to the Board of Directors every year.



Related-party transactions should comply with the arm's length principles and the transfer pricing regulations where the Company operates.

When planning the organizational structure or carrying out a transaction, the Company should use a tax structure that conforms to the commercial substance. The Company should not transfer value to low tax jurisdictions deliberately nor use secrecy jurisdictions or so-called "tax havens".

To assess the impact of changes in local and international tax regulations, and formulate appropriate responses.

To disclose tax related information publicly and regularly to enhance transparency.

To maintain an open and honest communication channel with tax authority.

To strengthen tax professional knowledge and skills and conduct training on an ongoing basis.

To complete all tax charges honestly in accordance with local and international tax regulations and deliberate the text and legislative intent of the regulations so as to fulfill its obligations to pay taxes in the countries in which the Company operates.

3.6.2 Stakeholder Management on Tax Issues



Contact Methods with Stakeholders

Mega Financial Holding's main stakeholder is the Government's tax authority, which directly affects the Company's tax compliance. Tax declaration, payment and supplementary explanations are all completed within the deadline. If the Company has any questions about tax matters, we will proactively seek advice from the tax authorities.



Advocate Methods on Tax Issues

Mega Financial Holding's tax policies clearly comply with the tax regulations and international tax standards of the countries where the PE operates. The Company actively participated in the financial holding industry tax conference convened by the Bankers Association to discuss tax issues. Based on the consensus reached at the meeting, the Bankers Association or its financial holding and taxation team was entrusted to communicate with stakeholders.



Collect and Consider Opinions from Stakeholders

Before Mega Financial Holding responds to opinions on tax issues, the Company conducts internal research, discusses with stakeholders, and consults industry peers, then re-examines and proposes the Company's views.

3.6.3 Country-by-Country Report (CbCR)

Tax Status by Country

Tax Status by Country of Mega Group in 2024

Unit: 100 million NTD (Except for Number of Employees)

Tax Jurisdiction	Main Business	Number of Employees	Revenues from Third-Party Sales	Revenues from Intra-Group Transactions	Net Income	Profit before Income Tax	Income Tax Accrued	Income Tax Paid	Tangible Assets
Taiwan	Bank, Securities, Bills, and Insurance	9,180	598.09	94.10	692.19	314.30	33.94	62.77	261.20
Hong Kong	Bank	72	32.16	0.31	32.47	29.08	5.20	11.58	0.63
Singapore	Bank	34	12.87	0.22	13.09	11.65	1.94	2.13	0.14
China	Bank	106	7.41	3.63	11.04	8.19	2.11	2.24	1.09
Vietnam	Bank	56	3.86	4.78	8.64	7.14	1.47	1.47	0.15
Australia	Bank	56	(10.81)	21.78	10.97	6.83	3.76	4.00	0.49
Japan	Bank	37	6.77	0.39	7.16	5.23	0.90	0.51	0.55
Panama	Bank	24	4.30	0.10	4.40	4.47	0.21	0.42	0.40
United States	Bank and Insurance	157	23.10	1.21	24.31	(1.44)	1.23	1.74	2.83
Insurance	Bank and Others	428	27.65	2.93	30.58	5.47	2.19	4.19	2.96

Note : The number of employees includes the employees from the subsidiaries and outside directors in the consolidated financial report.

Tax Information

Effective Tax Rate and Cash Tax Rate of Mega Group in 2024 and 2023

Unit: thousand NTD

Items / Year	2024	2023	Average
Profit before Income Tax	39,091,813	37,047,965	38,069,889
Income Tax Expenses	4,325,927	3,800,988	4,063,458
Effective Tax Rate (%)	11.07	10.26	10.67
Income Tax Paid	9,105,414	3,757,554	6,431,484
Cash Tax Rate (%)	23.29	10.14	16.89

Note : The cash tax rate in 2024 is higher than in 2023, mainly due to the provisional income tax paid in 2024.

Income Tax Rate Analysis of Mega Group in 2024 and 2023

Unit: thousand NTD

Items / Year	2024	2023	Average	Global Banking Industry Average*
Effective Tax Rate (%)	11.07	10.26	10.67	21.29
Cash Tax Rate (%)	23.29	10.14	16.89	19.94

Note 1: Marked * means the Global banking industry average was based on data published by Robeco SAM.

Note 2: In 2024 and 2023, the average effective tax rate and cash tax rate were lower than the global banking industry average tax rates (21.29% and 19.94%, respectively), primarily due to the following reasons:

(1) Mega Group mainly operates in Taiwan where the corporate income tax rate is 20%, which is lower than those stipulated by other countries.

(2) In 2024 and 2023, according to Taiwan's Offshore Banking Act, the income from offshore banking branches is exempt from business income tax, and according to Taiwan's Income Tax Act, income tax on gains derived from the securities transactions shall be suspended, accounting for a total of 17% to 20%. In addition, according to Taiwan's Income Basic Tax Act, the income of offshore banking branches and gains from the securities transactions shall be included in the basic income tax calculation, with a tax rate of 12%, which is lower than in other countries.

(3) In 2024 and 2023, according to Taiwan's Income Tax Act, dividend income is excluded from corporate income, accounting for approximately 9% to 10%.

Resident Entities and Main Business Activities of Mega Group

Tax Jurisdiction	Name of the Resident Entity	Main Business Activity(ies)			
		Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Other
Taiwan	Mega Financial Holding Co., Ltd.	●		●	
	Mega International Commercial Bank Co., Ltd.	●			
	Mega Securities Co., Ltd.	●		●	
	Mega Bills Finance Co., Ltd.	●			
	Chung Kuo Insurance Co., Ltd.	●	●		
	Mega Asset Management Co., Ltd.	●			
	Mega Venture Capital Co., Ltd.	●		●	
	Mega International Investment Trust Co., Ltd.	●			
	Mega Management Consulting Corporation				●
	Yung Shing Industries Co.				●
	China Products Trading Company				●
	Win Card Co., Ltd.				●
	ICBC Asset Management & Consulting Co., Ltd.				●
	Mega Futures Co., Ltd.	●			
	Mega International Investment Services Co., Ltd.	●			
Australia	Mega International Commercial Bank Co., Ltd. Sydney Branch	●			
	Mega International Commercial Bank Co., Ltd. Brisbane Branch	●			
	Mega International Commercial Bank Co., Ltd. Melbourne Branch	●			
Hong Kong	Mega International Commercial Bank Co., Ltd. Hong Kong Branch	●			
United States	Mega International Commercial Bank Co., Ltd. New York Branch	●			
	Mega International Commercial Bank Co., Ltd. Los Angeles Branch	●			
	Mega International Commercial Bank Co., Ltd. Chicago Branch	●			
	Mega International Commercial Bank Co., Ltd. Silicon Valley Branch	●			
	Chung Kuo Insurance Co., Ltd. Guam Office	●	●		
Japan	Mega International Commercial Bank Co., Ltd. Tokyo Branch	●			
	Mega International Commercial Bank Co., Ltd. Osaka Branch	●			
Cambodia	Mega International Commercial Bank Co., Ltd. Phnom Penh Branch	●			
	Mega International Commercial Bank Co., Ltd. Phnom Penh Airport Sub-Branch	●			
	Mega International Commercial Bank Co., Ltd. Olympic Sub-Branch	●			
	Mega International Commercial Bank Co., Ltd. Tuol Kouk Sub-Branch	●			
	Mega International Commercial Bank Co., Ltd. Chamkar Mon Sub-Branch	●			
	Mega International Commercial Bank Co., Ltd. Ta Khmao Sub-Branch	●			

Tax Jurisdiction	Name of the Resident Entity	Main Business Activity(ies)			
		Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Other
China	Mega International Commercial Bank Co., Ltd. Suzhou Branch	●			
	Mega International Commercial Bank Co., Ltd. Wujiang Sub-Branch	●			
	Mega International Commercial Bank Co., Ltd. Kunshan Sub-Branch	●			
	Mega International Commercial Bank Co., Ltd. Ningbo Branch	●			
Thailand	Mega International Commercial Bank Public Co., Ltd. Head Office	●			
	Mega International Commercial Bank Public Co., Ltd. Chonburi Branch	●			
	Mega International Commercial Bank Public Co., Ltd. Bangna Branch	●			
	Mega International Commercial Bank Public Co., Ltd. Ban Pong Branch	●			
	Mega International Commercial Bank Public Co., Ltd. Rayong Branch	●			
Vietnam	Mega International Commercial Bank Co., Ltd. Ho Chi Minh City Branch	●			
	Mega International Commercial Bank Co., Ltd. Hai Phong Representative Office				●
United Kingdom	Mega International Commercial Bank Co., Ltd. London Branch	●			
Singapore	Mega International Commercial Bank Co., Ltd. Singapore Branch	●			
Canada	Mega International Commercial Bank Co., Ltd., Canada Branch - Toronto Principal Office	●			
	Mega International Commercial Bank Co., Ltd., Canada Branch - Vancouver Office	●			
France	Mega International Commercial Bank Co., Ltd. Paris Branch	●			
Malaysia	Mega International Commercial Bank Co., Ltd. Labuan Branch	●			
Philippines	Mega International Commercial Bank Co., Ltd. Manila Branch	●			
Netherlands	Mega International Commercial Bank Co., Ltd. Amsterdam Branch	●			
Myanmar	Mega International Commercial Bank Co., Ltd. Yangon Branch	●			
Panama	Mega International Commercial Bank Co., Ltd. Panama Branch	●			
	Cathay Investment & Warehousing Co., S.A.				●
	Ramlett Finance Holdings Inc.				●
India	Mega International Commercial Bank Co., Ltd. Mumbai Representative Office				●



4 Sustainable Environment

4.1 Climate Action
4.2 Green Operation
4.3 Sustainable Procurement
4.4 Natural Ecosystems

- Received A Leadership level in CDP Climate Change Questionnaires
- Completed ISO 14064-1 GHG Inventory on all business locations worldwide and obtained third-party independent verification
- 7 subsidiaries were double-certified for adopting ISO 14001 Environmental Management and ISO 50001 Energy Management Systems
- Used 9,381,000 kWh of green power, estimated to reduce 4,634.21 metric tons CO_2e
- Green procurement amounted to a total of NT$306 million or 9.82% of total procurement
- 100% of our suppliers signed the Supplier Sustainability Statement

Material Topics of GRI Standards

GRI 201: Economic Performance
GRI 203: Indirect Economic Impacts
GRI 305: Emissions

Corresponding Material Topics

Climate Action, Corporate Governance

Targeted Stakeholders

Suppliers, Government and Regulatory Authorities, Shareholders/Investors, Employee/Corporate Union, Communities/Academic Institutions and Non-profit Organizations

4.1 Climate Action

In the face of the increasingly severe challenge of climate change risks, Mega Group adopted Science-Based Target Reduction (SBT) in response to the Paris Agreement in 2024, committing to achieve net-zero carbon emissions by 2050. Mega Group formally joined the Partnership for Carbon Accounting Financials (PCAF) to introduce ISO14064 GHG Inventory to all of the Group's business locations and to follow the PCAF methodology for Scope 3 carbon inventory for investment and financing. We actively planned the SBT carbon reduction pathway and adopted systematic carbon reduction measures, including the introduction of international ISO standards and green building solutions, to enhance the environmental and energy management efficiency of its operations. We hope to pool our efforts to make the earth a better place.

4.1.1 Climate Governance

Mega Group signed to be a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) in April 2020, and follows the TCFD framework to disclose climate-related information. The Board of Directors of Mega Financial Holding is the highest climate governing body of the Group. It is responsible for supervising and reviewing climate-related risk policies and management systems, while the Risk Management Committee and Sustainable Development Committee under the Board of Directors are responsible for implementing the identification and management of climate change risks and opportunities. The Audit Committee is responsible for supervising the implementation of annual risk monitoring indicators (including climate risk quantitative indicators). For detailed analysis content, please refer to the 2024 Mega Financial Holding Climate and Natural Environment Report.

Board of Directors — The Highest Climate-related Governing Body of the Group

It is responsible for supervising and reviewing the Group's climate-related risk policies, management systems, and capital expenditure plans, as well as listing climate issues as important topics for regular discussion each year. Besides, it has ultimate responsibility for ensuring that an appropriate and effective system of internal controls is established and maintained.

Motion on major climate change in 2024

1. The amendment to the "Guidelines for the Establishment of the Sustainable Development Committee" stipulates that from 2025 onwards, the Chairman will serve as the Chairperson, and more than half of the committee members will be independent directors.
2. Formulated the "Engagement Policy" to include biodiversity, environmental impact and human rights protection into engagement topics.
3. Formulated the 2025 Group ESG Promotion Plan and Targets, as well as medium- and long-term targets.

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Sustainable Development Committee	Risk Management Committee	Audit Committee
Planning Low-carbon Development Strategies to Address Climate-related Opportunities	Controlling and Reporting Climate-related Risks	Monitoring the Implementation of Climate Risk Indicators
It is responsible for the proposal and implementation of policies, systems or management guidelines and specific action plans for climate-related opportunities, including the development of green financial products and the integration of climate factors into the investment and financing process, etc.	It is responsible for formulating climate risk management policies and monitoring indicators and regularly reviewing the implementation results. Based on this management mechanism, responding measures are taken under different scenarios, and the management results of climate-related risks is regularly reported to the Board of Directors.	The implementation of annual risk monitoring indicators (including climate risk quantitative indicators) should be submitted by Mega Financial Holding's Risk Management Department to the Audit Committee for review before the end of March of the following year, and the Audit Committee will supervise the company's risk management matters.
Motion on major climate change in 2024	Motion on major climate change in 2024	Motion on major climate change in 2024
1. Present the 2024 Coalition of Movers and Shakers on Sustainable Finance commitments and planning for workgroup initiatives. 2. Formulate the Engagement Policy. 3. Proposed to revise the Group's short-, medium- and long-term water and waste reduction targets. 4. Presentation of the implementation status of the Group's carbon reduction action plan under the SBT. 5. Formulate the 2025 Group ESG Promotion Plan and Targets, as well as medium- and long-term targets.	1. Report on the risk management profile of Mega Financial Holding and the subsidiaries, including the progress and highlights of climate risk management. 2. Report on the Group's stress test and climate change risk assessment under a standardized scenario. 3. Risk management assessment results of each subsidiary, including active participation in emerging risk (including climate risk) management and implementation. 4. Annual risk management objectives of each subsidiary, including the ESG high-carbon emission investment limit.	Report on the implementation of the Group's annual risk monitoring indicators (including climate risk quantitative indicators).

Linking Compensation to Climate Performance

In the "Sustainable Development Best Practice Guidance", Mega Group specifies that the remuneration policy and employee performance evaluation system should be integrated with the "Sustainable Development Policy". Since 2022, each item, such as sustainability report preparation, climate risk management, and corporate governance, has been included in the project management evaluation, and the evaluation results must be submitted to the President for approval, and will be linked to the annual performance bonus at a rate of 10% through the "Rules for Employee Bonus and Remunerations". In 2025, the scope of the assessment linked to climate change performance was expanded. In addition to the continuation of the original project assessment items, the "Implementation Rules for Annual Assessment of Subsidiaries" and the "Risk Management Assessment Methods for Subsidiaries" were revised and approved to include ESG business and management performance indicators as an important basis for the adjustment of the bonuses and remuneration of the Chairman and President of the subsidiaries. It will have an impact of 7% of the total assessment scores, which will be divided into the following categories: Management Performance 5% (including the implementation of greenhouse gas reduction targets in Scope 1, 2, and 3) and 2% of business performance (including the growth rate of the balance of renewable electricity and renewable energy industry lending, and the growth rate of investment and underwriting amount of sustainable development bonds). In the future, we will continue to actively promote the linkage mechanism between the performance of senior executives and sustainable performance, and incorporate the performance of ESG dimensions into the performance evaluation index of the management.

4.1.2 Climate Strategies

Mega Group actively supports the Government's environmental policies (e.g., nuclear-free homeland, energy transition, and emission reduction policies) by setting different goals. Our short-term goals are to assist renewable energy companies in acquiring working capitals for their business, and to develop digital financial products and services to reduce carbon emissions in value chains. Our mid/long-term goals are to reduce the investment and financing risks of climate-sensitive industries, to increase the ESG awareness of industries, investors, and consumers, and promote environmentally friendly specifications and measures by combining the forces of our subsidiaries. Mega Group committed itself to exiting the coal-related industry for the first time in 2023. To enhance the Group's determination to support the low-carbon power transition, the "Mega Holdings' Key Points for Divestment Management in the Coal and Non-Traditional Oil & Gas Sectors" was formulated in 2024, proposing the Group's phase-out plan. It extended the scope of the decarbonization policy to cover the supply chain of the coal and non-traditional oil and gas sectors, with the goal of complete divestment from the coal and non-traditional oil and gas sectors by 2040.

Control Subject	Control Scope, Principles and Objectives
• **Coal Enterprises:** Business activities include coal mining, coal-fired power (using coal for power and heat generation), and coal infrastructure (including transportation, import and export trade, storage, receiving stations, pipelines). • **Non-traditional Oil and Gas Enterprises:** Business activities include non-traditional oil and gas (oil sands, shale oil and shale gas, Arctic oil and gas, deep-sea oil and gas, and liquefied natural gas derived from the above non-traditional oil and gas) mining, production processes and infrastructure (such as pipelines, receiving terminals, refineries and storage facilities).	• **Loan Business:** 1. Project financing: The Group will not undertake any new project financing for the control subject customers and will zero out the projects by the end of 2040. 2. General lending: The Group will avoid new general loans for the control subjects or increasing the number of loans for existing projects, and will gradually reduce the general loan portfolio to zero out the projects by the end of 2040 latest. • **Investment Business:** 1. Equity and bond investments: The Group will avoid new general investment for the control subjects or increasing the investment for existing projects, and will gradually reduce the general investment portfolio to zero out the projects by the end of 2040 latest. 2. Underwriting: Avoid undertaking underwriting business for the control subjects. • **Wealth Management Business:** If the issuer of bond products marketed by Mega Group is a control subject, the products should be fully labeled by the end of 2030 and the sales should cease by the end of 2040.

Note 1: The control subject refers to the enterprise whose revenue is more than 5% from the aforementioned business activities.

Note 2: The scope of application includes Mega Financial Holding and all subsidiaries.

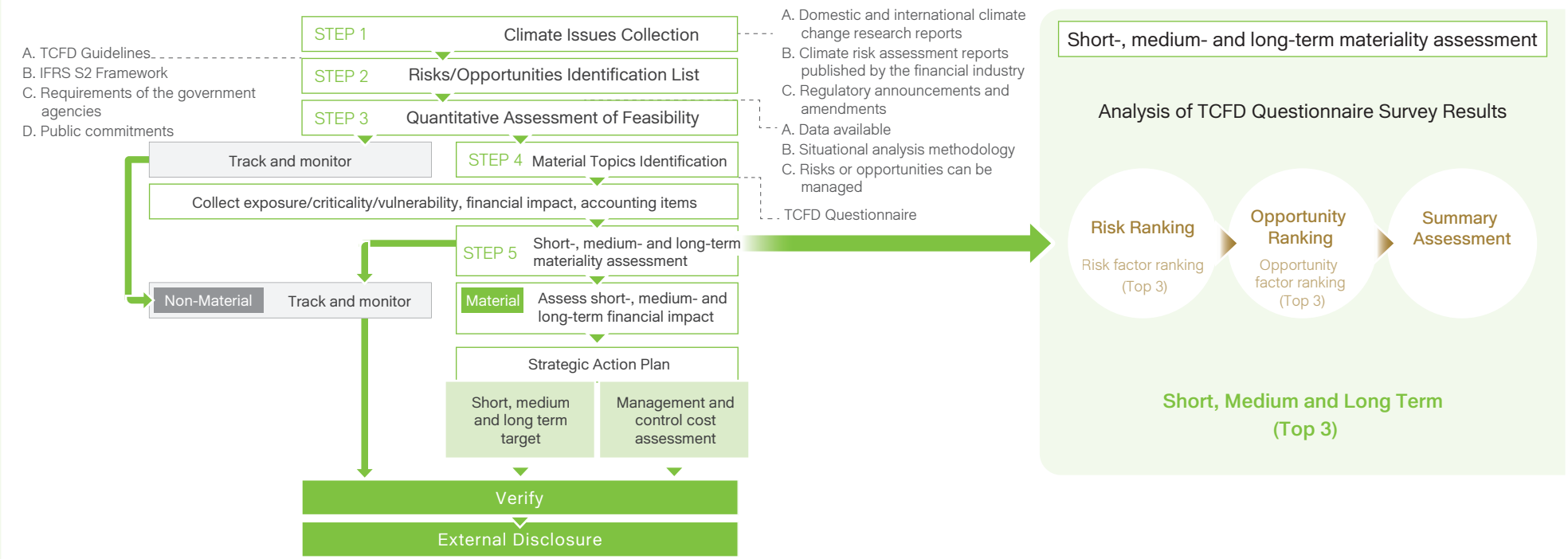
Note 3: To support and encourage enterprises to actively transform, the control subjects may be excluded from the control perimeters if they have provided evidence and plans for sustainable transformation, or if the use of funds is for the purpose of sustainable development.

In order to further align with national policies, Mega Group refers to the "TCFD Guidelines for the Banking and Insurance Industry", "IFRS S2 Framework", and the "Climate Change Response Act" issued by the Financial Supervisory Commission, and other relevant internal and external requirements, to identify risks and opportunities that may cause significant financial impacts. The identification process is as follows:

Steps	Process	Participating Unit	Description
1	Collect Climate Issues	• Risk Management Units of Mega Financial Holding	The TCFD guidelines, domestic and international climate change research reports, and climate risk assessment reports published by the financial industry are used to collect climate-related risk and opportunity issues on a regular basis.
2	Identify Risk and Opportunity Lists (discuss value chain impact, traditional risk linkage, business linkage)	• Mega Financial Holding and subsidiaries • Business Units	• Based on the TCFD guidelines, IFRS S2 framework, requirements of government agencies and Mega Group's public commitments, we have collected climate issues and identified a list of risks and opportunities that we prioritize. • Convene all subsidiaries and business units to discuss the value chain impact of climate-related issues on Mega Group according to the nature of their business and link them to the traditional risks to identify the business areas that are affected.
3	Quantitative Assessment of Feasibility	• Business Units of Mega Group and Subsidiaries	The quantitative assessment of feasibility shall be confirmed by the relevant units of the Mega Financial Holding, and consensus shall be reached by all subsidiaries.
4	Identification of Material Topics	• Questionnaire survey of senior management of Mega Financial Holding and their subsidiaries	In different impact periods (short, medium, long term)(Note), we surveyed the expert opinions of senior management of Mega Financial Holding and its subsidiaries from the level of executive vice president and above to identify the potential financial impacts arising from climate risks and opportunities.
5	Materiality Ranking and Response	• Mega Financial Holding/Business Development Department	Based on the results of the materiality ranking, we collect quantitative financial impacts and response strategies for the most relevant risk and opportunity factors in the short and medium term, qualitatively evaluate the financial impact of long-term factors, and continuously track and manage non-material ranking factors.
6	Measure Management Costs and Set up Implementation Plans	• Responsible departments of Mega Financial Holding and its subsidiaries	The impact on Mega Group is measured based on the past operational performance of the relevant business. Based on the experience of the business units, we calculate the corresponding costs in response to climate risks and opportunities, and set climate opportunity targets and specific implementation plans. Based on the experience of the business units, we calculate the corresponding costs in response to climate risks and opportunities, and set climate opportunity targets and specific implementation plans.

Note : The definitions of short, medium and long term are consistent with the "2025 Group ESG Promotion Plan and Targets" approved by the Board of Directors in December 2024.

Climate Risk and Opportunity Identification Process (2024)



Climate Risk and Opportunity Factors

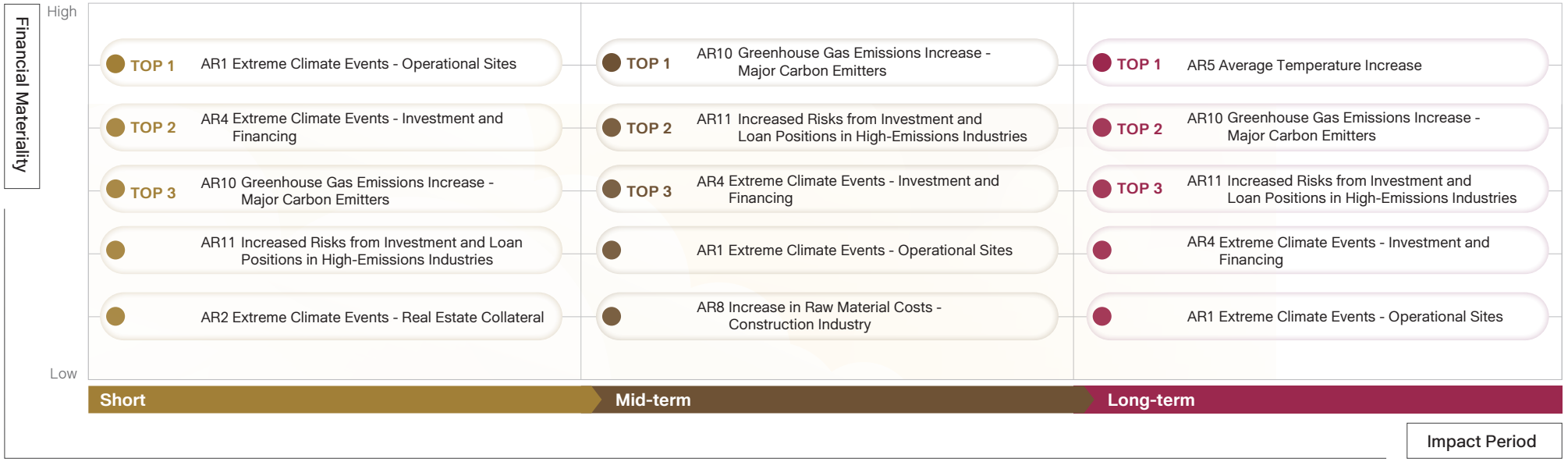
No.	Category	Model	Item	Description	Risk Linkage
AR1	Physical Risks	Immediate	Extreme Climate Events - Operational Sites	Loss of assets or disruption of operations at our operational site due to a single event of immediate climatic significance.	Operational Risks
AR2	Physical Risks	Immediate	Extreme Climate Events - Real Estate Collateral	Loss of value of Mega Group's collateral due to an immediate single event climate event, indirectly resulting in financial loss to Mega Group.	Credit Risks
AR3	Physical Risks	Immediate	Extreme Climate Events - Insurance Claims	Loss of value of Mega Group's insured asset or customers due to an immediate single event climate event, indirectly resulting in financial loss to Mega Group.	Insurance Risks
AR4	Physical Risks	Immediate	Extreme Climate Events - Investment and Financing	Losses to Mega Group's investment and financing customers due to an immediate single event climate event, indirectly resulting in financial loss to Mega Group.	Credit Risk/Market Risk/ Operational Risk

No.	Category	Model	Item	Description	Risk Linkage
AR5	Physical Risks	Long-term	Average temperature rising	Long-term increase in average temperature may result in loss of assets in Mega Group's value chain, disruption of operations, decline in profitability and revenue, and indirectly affect Mega Group's financial loss.	Credit Risks Market Risks Operational Risks
AR6	Physical Risks	Long-term	Rising sea levels	Long-term rising sea levels may cause loss of assets or disruption of operations in the Mega Group value chain and a decline in profitability and income.	Credit Risk/Market Risk/ Operational Risk
AR7	Transition Risks	Market	Increased Raw Material Costs - Food, Animal Husbandry, and Catering Industry	Increase in raw material costs due to climate change will impact the food, animal husbandry, and catering industries, indirectly affecting the financial loss of Mega Group.	Credit Risks Market Risks
AR8	Transition Risks	Market	Increased Raw Material Costs - Construction Industry	Increase in raw material costs due to climate change will impact the construction industry, indirectly affecting the financial loss of Mega Group.	Credit Risks Market Risks
AR9	Transition Risks	Technology	Increase of Low-carbon Transition Costs - Transportation Sector	Transportation investment/financing clients' commitment to low-carbon transition may result in higher costs or lower profits, indirectly affecting Mega Group's financial losses.	Credit Risks Market Risks
AR10	Transition Risks	Policy and Regulations	Greenhouse Gas Emissions Increase - Major Carbon Emitters	Tightening of climate-related regulations or policies by government agencies (e.g., Carbon Fee Charging Method issued in August 2024, which imposes a carbon fee on large carbon emitters) will indirectly affect the profitability of Mega Group due to the increase in operating costs of investment/financing clients.	Credit Risks Market Risks
AR11	Transition Risks	Policy and Regulations	Increased Risks from Investment and Loan Positions in High-Emissions Industries	High-carbon emission investment/financing customers' operating profits will decrease due to the ineffectiveness of low-carbon transformation, resulting in a higher default rate and indirectly affecting Mega Group's financial loss.	Credit Risks Market Risks

No.	Category	Model	Item	Description
O1	Opportunities	Market	Green Investments/Financing	In response to the low-carbon transformation (such as the SBT carbon reduction target), Mega Group has increased green investment and financing businesses such as green bonds and green credit to achieve diversified operations and increase profits.
O2	Opportunities	Resilience	Sustainable Action	Mega Group has implemented carbon reduction measures (such as SBT targets) in response to climate change, actively managed climate risks and seized opportunities to develop green products such as perpetual performance-linked loans and sustainable development bonds to enhance the Group's climate resilience.
O3	Opportunities	Products and Services	Responsible Credit and Investment	Mega Group strengthens responsible credit granting and investment, integrates the ESG spirit into credit granting/investment evaluation processes and risk management, and increases customer transformation opportunities.
O4	Opportunities	Products and Services	Green Product R&D	Mega Group develops low-carbon products and services, such as green bonds, sustainability-linked loans, and policy products or mutual funds to increase revenue and profitability.
O5	Opportunities	Products and Services	Digital Services	Mega Group provides digital financial services such as online banking, mobile payments, online ordering/insurance transactions, electronic forms, etc. to reduce carbon emissions and attract new customer groups.
O6	Opportunities	Energy Source	Low Carbon/Renewable Energy	Mega Group cooperates with carbon reduction measures (such as SBT targets) and adopts low-carbon energy or renewable energy (such as setting up solar energy branches and purchasing renewable energy) in its business locations to reduce dependence on traditional energy and implement low-carbon transformation.
O7	Opportunities	Resource Usage Efficiency	Green Operations	Mega Group's business locations use green building materials or environmentally friendly measures such as water conservation, electricity conservation, and waste reduction to reduce water, electricity, and resource consumption, improve resource utilization efficiency, and reduce operating costs.

Climate Risk Matrix

Period/Ranking	Ranking	Risk Sub-category	Risk Abbreviation	採取方案
Short-term	TOP1	Physical - Immediate	AR1 Extreme Climate Events - Operational Sites	Prioritize short- to medium-term ToP1 climate risk factors. Collect short-, medium- and long-term financial impacts, action plans, indicators/targets.
Mid-term	TOP1	Transition - Policies and Regulations	AR10 Greenhouse Gas Emissions Increase - Major Carbon Emitters	
Long-term	TOP1	Physical - Long-term	AR5 Average Temperature Increase	Long-term financial impacts that are potentially relevant will be included in qualitative assessment tracking, while action plans will be collected to reduce the probability of long-term risks as there is no appropriate way to quantify the long-term financial impacts.
Short, medium and long term	TOP2-3	Physical/Transition	AR4 Extreme Climate Events - Investment and Financing AR11 Increased Risks from Investment and Loan Positions in High-Emissions Industries	It has not yet had a significant financial impact on the Group, and the Group will continue to track and monitor the issue, and include it in the education and training agenda.



Climate Scenario Analysis

The scenarios adopted by Mega Group are based on the framework and methodology of climate change stress tests published by the regulatory authorities of each country, and the business nature and operation areas are included in the assessment. Different sources of climate change scenarios were selected to facilitate consistent scenario analysis and evaluation across subsidiaries. For details, please refer to the Mega Financial Holding 2024 Mega Financial Holding Climate and Natural Environment Report.

Source	Description	Adopted Path	Corresponding to Temperature Rise at the End of the Century
United Nations Intergovernmental Panel on Climate Change (IPCC)	Focus on physical impacts Simulation of future scenarios with different concentrations of greenhouse gases	Moderate Path: SSP1-2.6	~2℃
		Severe Path: SSP5-8.5	>4℃
Network for Greening the Financial System (NGFS) of Central Banks and Supervisory Authorities	Considering transition risks, physical risks and climate-related policy	Orderly Transition Path: 1. Net Zero 2050 2. Below2˚C	1. ~1.4℃ 2. ~1.8℃
		Delayed Transition Path Scenario: Delayed Transition	~1.7℃

Physical Risks

To effectively measure the Group's physical risks and assess the impact of disaster losses on the Group's various businesses, including real estate collaterals, business locations, and supplier locations, Mega Group has introduced a climate risk model database to conduct a physical risk analysis. The main items are described below. Please refer to the 2024 Mega Financial Holding Climate and Natural Environment Report.

Physical Risks

SSP1-2.6 Scenarios

Asset Category	Financial Risks	Impact by Business	Financial Materiality	Financial Impact of Climate Scenarios
Location of Operations	Operational Risks	Operations (Deposits and Transfers)	Low	• There are three locations in highly flood-prone areas, accounting for 2% of the total, and the estimated asset impairment of the highly flood-prone areas for 2030 are approximately NT$2 million with no highly flood-prone areas in 2025. • It is estimated that the total asset impairment amount for the period of 203 and 2050 will be approximately NT$17 million and NT$9 million, respectively.
Real Estate as Collaterals	Credit Risks	Corporate/Individual Lending	High	• The percentage of real estate loans outstanding in flood-prone and weather-sensitive areas in 2050 is 4.88%, and the estimated asset impairment amount is approximately NT$7,362 million. • The overall collateral loss for 2050 is estimated to be approximately NT$40,927 million.
Underwriting Position	Insurance Risks	Property Insurance Products	High	• The percentage of retained liabilities for insurers in flood-prone and weather-sensitive areas in 2050 is 3.82%, and assessed impairment amount for the insured is approximately NT$1,314 million. • It is estimated that the total impairment amount for the period of 2050 will be approximately NT$7,970 million.
Key Suppliers	Business Risks	Operations	Low	• 0% of suppliers in highly weather-sensitive regions (no loss). • It is estimated that the overall loss impact in 2050 will be approximately NT$96 million.

SSP5-8.5 Scenarios

Asset Category	Financial Risks	Impact by Business	Financial Materiality	Financial Impact of Climate Scenarios
Location of Operations	Operational Risks	Operations (Deposits and Transfers)	Low	• There are three locations in highly flood-prone areas, accounting for 2% of the total, and the estimated asset impairment of the highly flood-prone areas for 2030 are approximately NT$2 million with no highly flood-prone areas in 2025. • The estimated total asset impairment amount during 2030 and 2050 is approximately NT$13 and NT$19 million, respectively.
Real Estate as Collaterals	Credit Risks	Corporate/Individual Lending	Material	• The percentage of real estate loans outstanding in flood-prone and weather-sensitive areas in 2050 is 5.96%, and the estimated asset impairment amount is approximately NT$9,711 million. • The overall collateral loss for 2050 is estimated to be approximately NT$46,278 million.

SSP5-8.5 Scenarios				
Asset Category	Financial Risks	Impact by Business	Financial Materiality	Financial Impact of Climate Scenarios
Underwriting Position	Insurance Risks	Property Insurance Products	Material	● The percentage of retained liabilities for insurers in flood-prone and weather-sensitive areas in 2050 is 10.14%, and assessed impairment amount for the insured is approximately NT$3,448 million. ● It is estimated that the total impairment amount in 2050 will be approximately NT$10,017 million.
Key Suppliers	Business Risks	Operations	Medium	● 0% of suppliers in highly weather-sensitive regions (no loss). ● It is estimated that the overall loss impact in 2050 will be approximately NT$110 million.

Note：Cited from the "Financial Industry Climate Physical Risk Information Integrated Platform Database" of the Joint Credit Information Center (JCIC) is used to estimate the physical risk of each asset class by importing the hazard and vulnerability data of the two climate scenarios -2.6 6 and SSP5-8.5 from 2021 to 2040 (2030) and 2041 to 2060 (2050).

Transition Risks

The Network for Greening the Financial System (NGFS), a global network of central banks and financial regulators, has released the latest climate change scenarios, which present different scenarios depending on the level of implementation and efficiency of the future low-carbon transition. With reference to the NGFS climate change scenario framework, Mega Group proposes a scenario analysis to assess the impact of the reduction targets on the Group's transition. For detailed analysis content, please refer to the 2024 Mega Financial Holding Climate and Natural Environment Report.

Transition Risks				
NGFS Net Zero 2050 Scenario				
Financing Position	Credit Risks	Corporate Lending	Medium	● Assuming the carbon price is US$1,062 per metric ton, the credit account is a major carbon emitter under the supervision of the Ministry of Environment of Taiwan. The expected credit risk loss derived from the transition risk is NT$112 million.
Key Suppliers	Business Risks	Operations	Medium	● Assuming a carbon price of US$1,062 per metric ton, the transfer of carbon fee costs from key suppliers totaled NT$1,196 million.

4.1.3 Climate Risk Management

Mega Group's climate risk management mechanism is based on the latest laws and regulations, including the international TCFD recommendations, the "Climate Financial Disclosure IFRS S2" and Taskforce on Nature-related Financial Disclosures (TNFD)" frameworks, Taiwan's "Green Finance 3.0 Policy" and "Climate Change Response Act" (formerly the Greenhouse Gas Reduction and Management Act), the UN's IPCC AR6, Science-Based Targets (SBT), and the latest national plans for achieving United Nations Sustainable Development Goals (SDGs) and Paris Agreement targets.

The "Risk Management Policy and Guidelines" and other risk management rules have been established by the Board of Directors of Mega Group, and in recent years, Mega Group has revised its "Climate Risk Management Guidelines," "Sustainable Finance Policy," "Guidelines for the Management of ESG & Sustainable Development in Industries and High-Risk Industries", "Key Points for Divestment Management in the Coal and Non-Traditional Oil & Gas Sectors", and "Engagement Policy", which further explain the mutual impact of traditional financial risk and climate-related risks, incorporate climate risk factors into consideration of core business and operations, and strengthen climate-related risk management.

Risk Management Process

STEP 1

Risk Identification

Collect risk report published by important institutions across the world as well as messages from personal or corporate customers to identify possible climate-related risks.

→

STEP 2

Risk Assessment

Determine the latest trends, scope of impact, and possibility of climate-related risks and evaluate the impact on the Group and customers.

→

STEP 3

Risk Response

Adopt control, mitigation, and avoidance measures according to the risk assessment on climate change impact.

→

STEP 4

Risk Reporting

Periodically submit risk reports and present the implementation status of climate change risk management to the Risk Management Committee and Board of Directors.

Risk Management Procedures

Physical Risk Management Integrated Management Measures

Climate Risk Impact	Management Mechanisms	Integrated Management Measures
Interruption of Operations	Establish Business Continuity Planning (BCP)	– Mega Holdings and subsidiaries have set up an Emergency Response Team. In the event of a disaster, the team activates a backup mechanism to protect the interest of customers and minimize the Company's financial losses. – Conduct regular disaster preparedness training and sets up emergency disaster drills at a back-up office and Disaster Recovery Drills plans. – Insurance is used to transfer risks and cover losses on own assets.
Valuing Losses on Real Estate Collaterals	Enhance Pre-underwriting Assessment	– We conduct pre-loan assessments of real estate collaterals and investigate the geographic environment of the buildings, such as flooding potential, etc., to minimize the loss in the valuation of collaterals due to extreme weather abnormalities. – We encourage customers to use insurance to transfer costs or subsidize losses.
Increase in Policyholder Claims	Enhance Pre-underwriting Assessment	– For the pre-insurance assessment of the subject matter, such as flooding potential, to reduce the risks, so as to mitigate the losses or underestimation of premiums due to extreme weather conditions, which may result in huge claims for the Company. – Use reinsurance to transfer costs or subsidize losses.
Key Supplier Disruption	Establish a Backup Management Mechanism for Key Suppliers	– Suppliers should be assessed to determine whether they have any records on environmental and social impacts, and should sign the supplier Sustainability Statement when signing contracts with Mega Group.

Transition Risk Management

Climate Risk Impact	Management Mechanisms	Integrated Management Measures
Customers are subject to regulatory supervision of financing position credit risks affected by technological transformation	Optimize risk avoidance, mitigation, and transfer mechanisms for loan customers	– A list of investments in energy-intensive and highly-sensitive companies is controlled and assessed to avoid excess spread of exposure to high-risk customers. – Understand the loan customers and the use of loan funds as a factor for loan risk consideration. Incorporate ESG impact solutions into the terms and conditions of loan underwriting or commitments in a timely manner in order to minimize the related risks. – By yearly review on climate risks of loan borrowers that affects their solvency. Carbon-intensive companies under governmental supervision are encouraged todisclose the improvement status of their transition risks to secure a special rate. – Enterprises that have been announced or penalized by domestic or foreign competent authorities for high pollution, high carbon emissions, or major environmental violations should provide specific improvement plans and strict evaluations must be carried out before setting up loan transactions. If such transactions already exist, the Company should urge customers to make improvement, refuse incremental loans or gradually withdraw loans.

Transition Risk Management

Climate Risk Impact	Management Mechanisms	Integrated Management Measures
Shifting of operating costs from key suppliers increasing the Group's operational risks	Reinforcement of key suppliers' awareness of sustainability information	– Understand suppliers' implementation of the Supplier Sustainability Management Guidelines through joint supplier meetings, trainings, or communication seminars. – In the event that a supplier causes a significant impact on the environment and society, the contract with the supplier may be terminated or canceled at any time, and the business may be blacklisted. Encourage key suppliers to pay attention to the impact of climate risk and respond to it as soon as possible through mechanisms such as the implementation of a sustainability self-assessment questionnaire.

Internal Carbon Pricing (ICP)

Mega Group has referred to the NGFS Net Zero scenario of US$115 per metric ton in 2030 to assess and manage the carbon risk of Scope 1 and 2 and the investment and financing targets as a reference for future investment and financing decisions.
In the future, Mega Group will further expand the implementation of ICP to financing customers and suppliers, guiding businesses to transition to a low-carbon economy. At the same time, the Group will continue to review the global carbon pricing trends to ensure that the ICP accurately reflects external carbon costs. For details, please refer to the 2024 Mega Financial Holding Climate and Natural Environment Report.

4.1.4 Climate Metrics and Targets

To monitor and manage the physical risks of Mega Group, we have set GHG emission targets and sustainable finance goals. Currently, we regularly disclose our GHG emissions every year, and have completed an inventory of 100% of the Group's operating sites from 2022 onwards (for details, please refer to 4.3.2 Energy and Greenhouse Gas Management). As a responsible investor, Mega Group actively engages with investment targets to cooperate in reducing carbon emissions, in order to comply with the global net zero emission target. In 2021, the Group voluntarily responded to the spirit of "The Partnership for Carbon Accounting Financials (PCAF)" and used the methodology developed by PCAF to calculate the total carbon emissions of its major investment/financing portfolios, and further analyze the carbon footprint of industries with high climate-related risk as a tool for managing and evaluating the climate-related risks faced by the investment portfolios. Mega Group will use the results of this analysis as a basis for reviewing high carbon contribution targets in our investment and financing portfolios, and will continue to enhance client engagement.

In response to the warming target not exceeding 1.5°C warming by the end of the century detailed in the Paris Agreement, Mega Financial Holding signed the Science Based Targets Initiative (SBTi) in April 2023. In addition to calculating the carbon emissions of Scope 3 investments and financing with reference to the PCAF methodology, the Group has also set specific carbon reduction targets and pathways in accordance with the SBT methodology. The near-term target setting and net zero commitment was submitted to the SBTi for review and approval in June 2024. Mega Financial Holding established the "Policy Impact Declaration" in 2024, requiring all companies in the Group to serve as representatives of academic associations/societies/unions to participate in lobbying activities. If the lobbying is for policy consultation or involves major sustainability issues such as climate change, the Group should carefully evaluate and report to the Chairman of the Board of Directors before assigning the corresponding internal units to participate in the lobbying activities. It must also commit to effectively supervise or audit the lobbying activities and public policies in compliance with the spirit of the Paris Agreement during the period of participation in the lobbying activities as a representative of the associations/societies/unions. In addition, Mega Group participated in the "Climate Change Risk Management Project" and the "New Basel Capital Accord Continuing Research Working Group Stress Test Subgroup Project" of the Bankers Association of the Republic of China. Discussions were held with the Bankers Association to formulate climate-related regulations applicable to the financial industry (including the Banking Industry Carbon Disclosure Guidelines Handbook, and the Insurance and Securities Industry Guidelines for TCFD Disclosure). Many dialogues and discussions on sustainability issues such as climate change and renewable energy were conducted with the Financial Supervisory Commission (FSC). We have also held many dialogues and discussions with the Financial Supervisory Commission (FSC) on climate change, renewable energy, and other sustainability-related issues. At the same time, it is planned that all subsidiaries will participate in the Working Group for the Promotion of Net Zero Initiatives for Financial Industries jointly established by the Bankers Association and competent authorities, in the hope that through the power of these units, we can work together to move towards the 2050 net-zero emissions target.

★ Case Study

Mega Financial Holding Responds to the Signing of the "Financial Industry Environmental Declaration Signing Event"



Mega Financial Holding actively participates in climate action initiatives. On November 26, 2024, Chairman Ray B. Dawn represented the company to attend the "Financial Industry Environmental Declaration Signing Event" in response to the Taiwan Financial Services Coalition. Under the witness of Minister Chi-ming Peng of the Ministry of Environment and Chairman Jin-lung Peng of the Financial Supervisory Commission, Acting Chairman Hui-you Chen of the Coalition and all 35 group members signed the declaration, declaring that they will be committed to promoting net zero transformation and sustainable development, and demonstrating their determination to cooperate with national policies.

★ Case Study

Mega Financial Holding's Efforts in Carbon Reduction Selected as a CommonWealth "1.5°C Temperature Control" Company with Outstanding Results



CommonWealth has established a "Corporate Carbon Reduction Thermometer" based on the United Nations' Absolute Global Temperature Potential (AGTP) methodology to assess whether domestic companies' carbon reduction commitments are in line with the goals of the UN Paris Agreement. Mega Financial Holding stood out among hundreds of companies and was awarded the honor of "Company with Outstanding Results". On June 4, 2024, it was invited to participate in CommonWealth "Corporate 1.5℃ Forum" and was awarded by President Yu-mei Hsiao, demonstrating Mega Financial Holding's efforts to reduce carbon emissions and its determination to move towards net zero emissions.

4.2 Natural Ecosystems

4.2.1 Nature-Related Financial Disclosure

From 2023, Mega Group carried over the framework of Task Force on Climate-Related Financial Disclosures (TCFD), and analyzed the interaction of operating activities on the natural environment by exploring the nature-related risks and opportunities caused by the dependency and impact of economic activities.

Management Approach

Board of Directors

- Highest governance body for nature-related issues.
- Responsible for overseeing and reviewing the Group's nature-related risk policy, management system and capital expenditure planning.
- Hold the final responsibility for the establishment and maintenance of an appropriate and effective internal control system.

▲

Sustainable Development Committee	Risk Management Committee
• Responsible for policies, systems, or management approaches related to natural opportunities. • Develop and implement programs to promote positive impacts of nature. • Incorporate the consideration of natural factors into financial products and evaluate the benefits to the environment.	• Manage and report on nature-related risks related issues. • Formulate nature-related risks management policies and regularly review the effectiveness of implementation. • Regularly report to the Board of Directors on the management of nature-related risks.

Policy and Commitment

Mega Holdings has incorporated the impact of our business activities on ecological benefits and the importance of protecting biodiversity into the "Group's Sustainable Development Best Practice Guidance". In the 4th Sustainable Development Committee Meeting in 2024, the Group's own business locations will abide by the following commitments to achieve its commitment to protect the ecosystem:

Mega Group is committed to not setting up any domestic or international locations in biologically important habitats:

- Not in nature reserves/protected areas, national parks and natural parks established by the host country
- Not in wildlife sanctuaries or important habitats
- No impact on species on the IUCN Red List and national conservation list of threatened species
- When adding or relocating locations, adhere to the principles of maintaining biodiversity and zero deforestation

For financial products, the Group has formulated the "Sustainable Finance Policy", "Engagement Policy", and "Guidelines for the Management of ESG/Sustainability-Related Industries and High-Risk Industries" to guide subsidiaries to consider biodiversity and natural resources when developing their businesses.

To exert financial influence, the Group has established an "Engagement Policy" to encourage the Group to follow the TNFD when interacting with customers, suppliers and governments, and to jointly develop assessments or target performance with stakeholders. Mega Bank will strengthen KYC and compliance with the "Climate Engagement Questionnaire", and include recently added questions on nature and biodiversity in the 2024 investment engagement questionnaire, with plans to expand this to the financing engagement questionnaire in 2025. We regularly investigate the mutual impact of nature-related riskss on investment and financing clients' operating locations, and pay attention to the management mechanism of their natural related factors to understand the impact and mitigation of nature-related riskss on investment and financing positions. For detailed analysis content, please refer to the 2024 Mega Financial Holding Climate and Natural Environment Report.

4.2.2 Nature Dependency and Impact Analysis

Mega Group uses the ENCORE database updated in 2024 to obtain the dependency and impact levels corresponding to the ISIC of All Economic Activities, with reference to the code of the Directorate General of Budget, Accounting and Statistics corresponding to ISIC to convert industry classifications. Through converting the dependency and impact significance into quantitative scores, we calculated the dependence and impact scores of suppliers and investment and financing assets, and plotted a matrix based on the aforementioned calculations to reveal the degree of dependency and impact of the Directorate's industries. The ENCORE database divides the degree into five levels: extremely low, low, medium, high, and extremely high to understand the relationship between industry and nature issues.

Results of the Dependency and Impact Analysis of Investment and Financing Targets

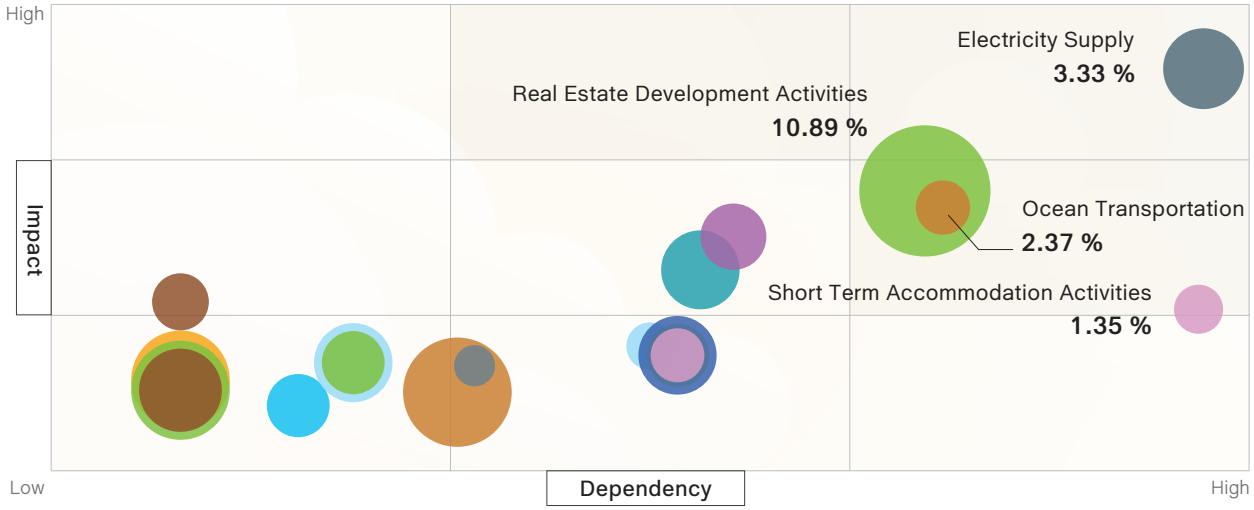
The assessment results show that the electricity supply, real estate development, ocean transport and short-term accommodation industry all have a high degree of dependency on ecosystem services such as water supply, soil and sediment maintenance, and flood prevention. Among them, the electricity supply industry is the most dependent on water-related ecosystem services. In addition, the business activities of the aforementioned industries also have a higher degree of impact on factors such as disturbance, greenhouse gas emissions and discharge of toxic pollutants into water and soil.

Heat map of investment and financing portfolio dependency and impact analysis



Mega Group Dependency and Impact Analysis Results

With reference to the Guidance on the identification and assessment of nature-related issue: The LEAP approach V1.1 (released in October 2023). The industries included in the matrix analysis in 2024 are the top 20 industries in terms of investment and financing balances, accounting for approximately 60% of the total investment and financing balances. The balances of any single industry in the remaining positions are all less than 1%, so they will not be analyzed for the time being. Among them, the industry with the highest dependency and impact score (upper right corner of the matrix) is the electricity supply industry, which accounts for about 3.33% of the total area and is a high nature-related risks industry. Industries that require continued monitoring in the future include real estate development, ocean transport, and short-term accommodation.



- Real Estate Activities for Sale and Rental with Own or Leased Property
- Other Financial Service Activities Not Elsewhere Classified
- Transport via Railways
- Manufacture of Other Electronic Parts and Components Not Elsewhere Classified
- Financial Leasing
- Activities of Financial Services Holding Companies
- Manufacture of Integrated Circuits
- Manufacture of Computers
- Wireless Telecommunications Activities
- Rolling and Extruding of Iron and Steel
- Banking
- Manufacture of Raw Chemical Material
- Wholesale of Electronic and Communication Equipment and Parts
- Wholesale of Computers, Computer Peripheral Equipment and Software
- Other Retail Sale in Non-specialized Stores

Note : 2024 Reference to TNFD Financial Industry Guidance (Sector guidance: Additional guidance for financial institutions) Version 2.0 (released in June 2024). The scope of investment and financing assets included in the analysis of nature dependence and impacts includes listed stocks (including common stocks and preferred stocks) and corporate bond investments (including financial bonds, convertible bonds and green bonds) of listed companies, unlisted stocks (including common stocks and preferred stocks) and corporate bond investments (including financial bonds, convertible bonds and green bonds) of unlisted companies, project investment and financing, and general corporate loans (excluding credit-related assets such as overdrafts, guarantees, bills of exchange, and discounts, and including small and medium-sized enterprise (SME) loans and short-term loans). The investment and financing targets of the above assets are mainly enterprises, and exclude investment and financing to government agencies.

4.2.3 Nature-Related Risks and Opportunities

The nature-related risks of the financial industry originate from the over-dependence on and impact on natural resources and ecosystem services of its own operation and investment and financing targets, and affects the society and economy through physical risks, transition risks, and systemic risks. The natural opportunities in the financial industry refer to the process of actively reversing the loss of natural resources through business models, products and services with positive benefits based on nature, and guiding companies to support natural resource protection through financial influence.

Nature-related Risks and Opportunities in Our Business Operation

We evaluate our nature-related risks and opportunities in business operation, so as to strengthen the resilience of the Group's value chain, the results as listed as the tables below:

Risk Categories	Risk Factor	Occurrence	Time Horizon	Risk Description	Possible Financial Impact on Mega Group	
					Operation cost	Net income
Physical Risks	Water Shortage	Light	Long-term	Business locations that are highly dependent on water resources are more affected by water shortages, resulting in higher water purchase costs.	↑	↓

Opportunities Categories	Occurrence	Time Horizon	Opportunity Description	Possible Financial Impact on Mega Group		
				Cash and cash equivalents	Share capital	Capital reserve
Reputation	Light	Long-term	Engaging in natural conservation projects can boost biodiversity, enhance the Group's image, improve sustainability ratings, and attract investment.	↑	↑	↑

Nature-Related Risks and Opportunities in Electricity Supply Industry

The electricity supply industry encompasses a variety of power generation types, each relying on and impacting different natural resources. In the case of thermal power generation and nuclear power plants, for example, the power generation process requires water cooling, and therefore relies on a stable supply of water resources. The offshore wind industry requires a stable global climate regulation mechanism to prevent extreme weather events from damaging power generation equipment and infrastructure.

In addition, the power generation process in the power generation industry will also have an impact on the ecosystem. For example, thermal power generation emits a large amount of CO2 and air pollutants, which not only causes climate change but also affects the natural environment. In addition to water pollution, nuclear power plants may also cause the sea water temperature within 3 kilometers around the discharge point to rise by 2°C, affecting the surrounding natural ecosystems. The noise from wind power generation may disturb the habitats of surrounding fish, sea turtles, and migratory birds.

The Mega Group prioritizes and analyzes nature-related risks and opportunities in the electricity supply industry by selecting investment and financing targets based on the results of portfolio dependency and impact analyses. It also analyzes the financial impact of the nature-related risks and opportunities of the various types of investment and financing targets in the power supply industry on the Mega Group by referring to the TNFD's “Additional sector guidance – Electric utilities and power generators”.

Nature-Related Risks Associated with Investment and Financing Targets in the Electricity Supply Industry

Risk Categories	Power Generation Type	Related Ecosystem ervices	Risk Description	Possible Financial Impact on Mega Group
Physical Risks	Thermal Power Generation	Supply services	The reduced water supply reduces the amount of water available for cooling the power plant, resulting in higher operating and purchasing costs for the power plant.	↓ Financial asset value ↓ Accounts receivable ↓ Investment income ↓ Discount and loan impairment ↑ Expected credit losses ↓ Interest income
	Offshore Wind Power	Tuning and Maintenance Services	The increase in severe typhoons and other extreme weather events has led to increased capital expenditures for infrastructure damage and repairs.	↓ Financial asset value ↓ Accounts receivable ↓ Investment income ↓ Discount and loan impairment ↑ Expected credit losses ↓ Interest income ↑ Claims expenses
Transition Risks	Reputational Risk	Thermal power generation	Coal-fired power plants emit large amounts of GHG, air pollution, and water contamination, which can lead to reputational damage or environmental lawsuits.	↓ Financial asset value ↓ Investment income ↑ Provision for litigation liabilities ↑ Litigation costs
	Policy and Regulations	Solar power Land-based wind power	Regulatory changes have resulted in increased compliance costs for developers and operators of renewable energy plants.	↓ Financial asset value ↓ Accounts receivable ↓ Investment income ↓ Discount and loan impairment ↑ Expected credit losses ↓ Interest income

Nature-Related Opportunities in the Electricity Supply Industry

Opportunity Categories	Power Generation Type	Opportunity Description	Possible Financial Impact on Mega Group
Reputation Capital	Offshore Wind Power	Offshore wind power can promote the formation of new coral reefs, and fixed turbines may increase food around them, improving the biodiversity of the surrounding ecosystem and enhancing the reputation of power generators.	↑ Financial asset value ↑ Investment income ↑ Interest income
	Solar Power	The ecological symbiotic business model that combines agriculture and solar photovoltaic power stations may enhance the reputation of power generation companies.	↑ Operating income ↓ Cost/Expense

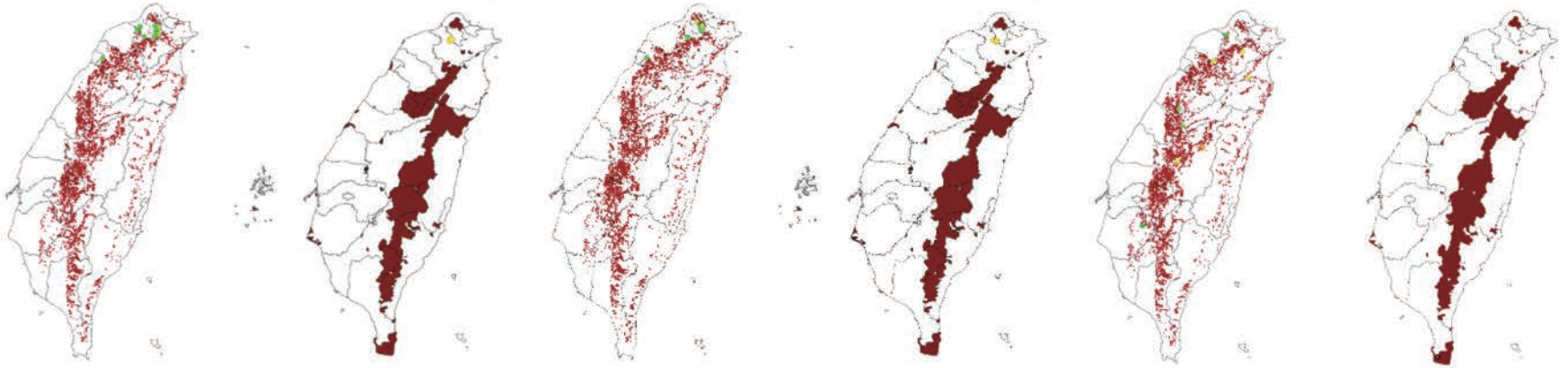
Opportunity Categories	Power Generation Type	Opportunity Description	Possible Financial Impact on Mega Group
Products and Services	All Electricity Supply	Introduce funds through ESG investment and financing to support the development of nature and ecology, or develop nature-related solutions and more efficient and nature-friendly products and services.	↑ Fair value of financial assets ↑ Investment income ↑ Interest income ↑ Operating income

4.2.4 Nature-related risks Overlay Analysis

Mega Holdings conducted an assessment on five major natural issues: climate change, land and forests, oceans and water, minerals, and biodiversity. The results showed that its own operations, investment and financing targets, and suppliers have the most significant dependency and impact on biodiversity, and priority should be given to overlay analysis of biodiversity. For detailed analysis content, please refer to the 2024 Mega Financial Holding Climate and Natural Environment Report.

Biodiversity Hotspots	Key Biodiversity Areas (KBA)
Released by the Forestry and Nature Conservation Agency of the Ministry of Agriculture, hotspots are calculated for animal species in each habitat. The top 5% of grids in terms of species numbers are defined as hotspots. Hotspot levels are divided into 5 levels from high to low, with 5 being the highest and 1 being the lowest.	The Key Biodiversity Areas map released by the World Database on Protected Areas (WDPA) refers to areas that make important contributions to global biodiversity, covering terrestrial, freshwater and marine ecosystems. The database is regularly identified and managed by the United Nations Environment Programme and the International Union for Conservation of Nature (IUCN) through its World Conservation Monitoring Centre (UNEP-WCMC), in collaboration with multiple stakeholders.

Value Chain	Key suppliers		Location of Business		High Nature-related risks Investment and Financing Targets	
Definition	In 2024, Mega Group had a total of 154 domestic key supplier locations in Taiwan with an annual procurement value of NT$1.5 million or more.		A positioning analysis was conducted based on Mega Group's 194 domestic business locations as of the end of 2024.		The analysis shows that there are 243 domestic sites (including power plants, onshore wind turbines and offshore wind turbines) of investment and financing targets in the power supply industry in terms of equity and debt investments, project investment and financing, and corporate loans.	
Type of Image Data	Biodiversity Hotspots	KBA	Biodiversity Hotspots	KBA	Biodiversity Hotspots	KBA
Analysis Results	26 Sites (16.9% of the total number of supplier sites) have a 1-kilometer radius of impact bordering areas with low biodiversity hotspots (Class 1 or 2).	11 Domestic sites (3.5% of the total number of domestic operational sites) have a 1-kilometer radius bordering a biodiversity region.	9 Sites (4.6% of the total number of domestic operational sites) have a 1-kilometer radius of impact bordering a biodiversity hotspot (Class 1 or 2 zone).	7 sites (4.5% of the total number of domestic operational sites) have a 1-kilometer radius of impact bordering a biodiversity region.	11 Sites (4.5% of the total number of invested and financed electricity supply industry domestic operational sites) have a 1km radius of impact bordering a biodiversity hotspot (Class 1 to 4 zone).	81 Investor-financed operational sites (33.3% of the total number of investor-financed electricity supply industry domestic operational sites) have a 1km radius bordering a biodiversity region
Percentage of Sites Located in or Adjacent to Ecologically Sensitive Areas	**Accounting for 16.9% of the total number of domestic suppliers' operating locations**	**Accounting for 3.5% of the total number of domestic suppliers' operating locations**	**Accounting for 4.6% of the total number of domestic operating locations**	**Accounting for 4.6% of the total number of domestic operating locations**	**Accounting for 4.5% of the total number of domestic investment and financing power supply industry sites**	**Accounting for 33.3% of the total number of domestic investment and financing power supply industry sites**

Value Chain	Key suppliers	Location of Business	High Nature-related risks Investment and Financing Targets
Image			

LEAP Implementation Result: Mega Bank Offshore Wind Power Project Financing

To support the development of offshore wind farms with a total installed capacity of 300MW, Mega Bank and five banks coordinated and organized a joint loan case, which was certified by a third-party institution as a green loan in accordance with the international standard "Green Loan Principles 2021", while the project's environmental and social impact assessment was based on the Equator Principles. For detailed disclosure, please refer to 2024 Mega Financial Holding Climate and Natural Environment Report.

Project Site Introduction (Locate)	Mega Bank's offshore wind power financing project is located 11 to 17 kilometers off the coast of Changhua County, Taiwan, and include the construction of an offshore wind farm with 31 wind turbines. The project site is nearby the Dadu Estuary Wildlife Refuge and the habitat of the Indo-Pacific humpbacked dolphin, which means the site has a significant impact on the protection of coastal ecosystems and habitats. If the ecological impact is not effectively assessed, there may be negative impacts such as water pollution, large-scale land reclamation projects, underwater sound pollution and a reduction in underwater species.
Risk Management Measures (Prepare)	For effective tracking of post-loan risks, financing recipients are required to submit semi-annual "Environmental and Social Semi-Annual Reports" during the construction period, describing the project's management measures for biodiversity, fisheries, environment, and stakeholders, and quarterly reports on operations every 3 months during the operation period, with environmental and social issues being reviewed by Mega Bank's environmental and social consultant. • Environmental Management Strategy: The financing recipients use turbidity curtains and barriers to reduce the impact of water pollution, conduct habitat assessments for the Indo-Pacific humpbacked dolphin and other marine life, and monitor the migration routes of migratory birds to reduce the ecological impact of wind turbine operations. • Social Management Strategy: The financing recipients will develop livelihood plans for fishermen to help affected fishermen, protect workers' working conditions through contractor management plans, and avoid adverse impacts of wind farm operations on workers and local communities.

Quantitative Assessment of Financial Impact of Wind Power Financing Project LEAP

According to the TNFD Power-supply Industry Guidelines, the power supply industry is highly dependent on natural resources and has a significant impact on the ecosystem. In addition, the establishment and operation of power plants involve high capital expenditures and financing needs, making it a highly sensitive industry to nature and financial risks. In order to strengthen the Group's ability to identify and manage nature-related risks, the offshore wind power financing project in which the Group participated was selected as a pilot case in 2024, and in meanwhile the Equator Principles were introduced to conduct environmental and social risk assessments. In combination with the LEAP method under the TNFD framework, the project's dependency and impact on the natural environment were reviewed, and its potential financial impact was further assessed as a reference for future nature-related risk management.

Risk Transmission Path

Risk Categories & Description	Impacts on offshore power plant operation	Potential financial impact
Physiclal Risks		
Migratory birds pass through wind farms, causing casualties among migratory birds and thus affecting wind turbine operations	Causing damage to infrastructure or generates waste, resulting in fines	• Repair costs of wind turbines damaged (mild level) by bird strikes • Business losses caused by wind turbine downtime due to bird strikes
Severe typhoons and other extreme weather events increase	Wind power plant shutdown	• Repair costs of wind turbines damaged (middle level) by severe typhoons • Business losses caused by wind turbine downtime due to severe typhoons
Transition Risks		
Oil spills from operating equipment (cranes, forklifts) cause seawater pollution and ecological impacts on marine ecology and fisheries Cable racks, approaching ships, large-scale reclamation projects along the coast, fish decline, water pollution, and underwater sound pollution have affected habitats	Environmental protection groups protested, leading to the authorities ordering the suspension of construction and even lawsuits	A penalty event occurs and the penalty amount is determined

Analysis Process and Results

According to the physical risk above, the financial impact under two kinds of risk is estimated as:

1. Bird Strikes: tens of thousands of migratory birds migrate through Taiwan every year. Therefore, we selected the offshore wind power financing project that applies the Equatorial Principles to analyze the potential impact of migratory bird migration on wind turbine operations. Considering that bird strikes may cause damage to wind turbines; the potential financial impact is about NT$446 million after estimating the cost of wind turbine maintenance and business losses due to downtime.
2. Severe Typhoon: Tropical depressions are prevalent in Taiwan. Considering severe typhoons may cause damage, the potential financial impact is about NT$464 millions after estimating the cost of wind turbine maintenance and business losses due to downtime. According to the financial model, if the damage scale passes 30% of the wind turbines and stops operating, it will cause difficulties in repaying the loan and paying interest for this case.

4.2.5 Nature Metrics and Targets

Investment/Financing Position: TNFD Recommended Additional Disclosure Indicators

TNFD Indicator Type	Indicator Content	Unit	2024
Resource Usage	Average water consumption per NT$1 million of revenue of investment and financing targets in the power supply industry[1]	Cubic meter (m^3)/NT$ million	1.44
	Percentage of the balance of investment and financing targets[2] of the electricity supply industry that are located in high water stress households and do not have water management policies	Percentage (%)	2.29%

Note 1: For the fiscal year, the analysis was conducted using the data of 11 investment and financing targets in the power supply industry for which information on water consumption is publicly available.

Note 2: For the fiscal year, the analysis was conducted using data of 20 power supply industry investment and financing targets for which water stress and water resource policy information was publicly available.

Nature-Related Goals for Our Business Operation

Mega Group's nature-related goals include water resources, waste, green building labels, etc. For detailed goals and management content, please refer to 4.3 Green Operation and 2024 Mega Financial Holding Climate and Natural Environment Report.

4.2.6 Biodiversity Measures

Ecological Conservation

In response to the United Nations Sustainable Development Goal SDG 14 on Life Below Water and SDG 15 Life on Land, Mega Bank has launched the Green Loans program, providing loans to companies for purposes such as protecting terrestrial or aquatic biodiversity, sustainably managing water sources and wastewater, and constructing green buildings. In hoped of leading employees and customers to work together for ecological conservation.

Ecological Conservation Action	Climate Adaptation	Resource Sustainability	Species Restoration	Habitat Conservation
Guantian, Tainan: Jacana Ecological Education Park Fencing Construction			▲▲▲	▲▲▲
Keelung: Beach cleanup and marine education activities	▲▲▲	▲▲▲	▲▲▲	▲▲▲
Protect Dadu Mountain Tree Planting Activities - “Establishment of Fire Prevention Forest Belt and Restoration of Tree Island on Longmujing Trail of Dadu Mountain, Taichung”	▲▲▲	▲▲▲	▲▲▲	▲▲▲
Mega Group 93rd Anniversary Taichung Dadu Mountain Parent-Child Forest Ecological Education and Tree Planting and Paper Making Parent-Child Event		▲▲▲	▲▲▲	

Ecological Conservation Action	Climate Adaptation	Resource Sustainability	Species Restoration	Habitat Conservation
Taiwan Black-Faced Spoonbill Conservation Association: Habitat Restoration and Creation Program			▲▲▲	▲▲▲
e-Happy EasyCard Titanium Card: Priceless Planet Coalition Tree Planting and Afforestation Project	▲▲▲	▲▲▲	▲▲▲	▲▲▲
e-Happy EasyCard Titanium Card: Support for Wildlife Conservation Programs			▲▲▲	▲▲▲
Volunteer Activity: Removal of Invasive Species Bitter Vine			▲▲▲	▲▲▲

Note：For other ecological conservation related products, please refer to CH5 Sustainable Finance. For details of ecological conservation actions, please refer to CH8 Social Prosperity.

★ Case Study

Mega Group Supports the Forestry and Nature Conservation Agency "National Bitter Vine Control Day"



On September 7, 2024, Mega Group participated in the "National Bitter Vine Control Day" event organized by the Forestry and Nature Conservation Agency of the Ministry of Agriculture. The President Mega Financial Holding led its subsidiaries (Mega Bank, Mega Securities, Mega Funds, Mega Bills, CKI) to Dongshi Forest Garden in Taichung City and Nan'ao Farm of National Ilan University. On the same day, around 170 volunteers and their families participated in the "vine removal mission" to remove the bitter vine.

At this event, 64 kg of bitter vine plants were removed from Dongshi Forest Garden, and a total of 200 kg were removed on site. Mega Bank has responded to the vine removal work of the Forestry and Nature Conservation Agency's Yilan Branch for three consecutive years, where our efforts can be found in Taipei City and Jiaoxi, Yilan. 151.67 kg of bitter vine were removed from the Nan'ao Farm in Yilan, and a total of 269 kg were cleared on site. We will work together to protect local biodiversity and build sustainable forests.

★ Case Study

Mega Bills Participate in the Rongxing Garden Ecological Protection" Event of the Parks and Street Lights Office, Taipei City Government



On July 6, 2024, Mega Bills called on its employees to join the ranks of volunteers to participate in the "Rongxing Garden Ecological Protection" event organized by the Parks and Street Lights Office, Taipei City Government. Employees wore waterproof chest waders and entered the ecological pond to clean up silt and exotic water hibiscus to maintain the ecological balance of the waters. Rongxing Garden is one of the three major parks for firefly restoration in Taipei City. In addition to fireflies, it is also an important habitat for many rare birds. Through this activity, the exotic plants in the ecological pond will be appropriately removed, allowing the surrounding precious native plant species to have a suitable living environment. We will work together to jointly protect the ecological diversity of the park.

4.3 Green Operations

Through the Environmental Sustainability Working Group under the Sustainable Development Committee, Mega Group complies with the "Sustainable Development Policy" and "Code of Corporate Sustainable Development". We regularly collect and assess the environmental impact of our operating activities, and then develop working plans and goals for the Group for the year (including climate action, green operations, sustainable procurement, and natural environment). The progress of our goal achievements is reviewed quarterly by the Sustainable Development Committee to implement the Group's environmental sustainability management. Mega Group did not violate any environment-related laws and regulations in 2024.



4.3.1 International Standard Certifications and Initiatives

Item	Description
CDP Climate Change Questionnaire	Since 2017, Mega Group began completing the CDP climate change questionnaires of international NPOs to reflect on the environmental impact of the company's operations, identify the climate risks and opportunities we face, and formulate related response plans. In 2024, it was awarded the A Leadership Level, and has been ranked in the Leadership Level for three consecutive years.
ISO 14064-1:2018 Greenhouse Gas Inventory	2016 Five office buildings of Mega Group obtained ISO 14064: 2006 GHG Inventory certification statements for the first time. The scope of the inventory has been expanded year by year and continues to be inspected annually. In 2019, 139 operating locations were verified, covering 61% of the locations. 2020 New version of ISO 14064: 2018 was introduced and expanded to all 192 operating locations in Taiwan, achieving a 100% inventory of operating locations in Taiwan and a group coverage rate of 84%. 2022 Joined the inventory of overseas locations to achieve 100% coverage of the Group, passing the verification certification and obtaining the certification statement from 2020 to 2024.
ISO 14001:2015 Environmental Management System	Mega Chi-Lin Building, the headquarters of Mega Bank, was the first to adopt ISO 14001 Environmental Management System in 2017 and gradually completed verifications between 2018 and 2020. This management system was introduced to the headquarters of each subsidiary in 2022. The implementation and verification process was completed in 2023 (including renewal of certification) of all 101 operating locations in northern Taiwan, and the rollout to all 192 operating locations in Taiwan was completed by 2024. Mega Financial Holding has obtained the ISO 14001 certification on September 05, 2022, with the validity period from September 05, 2022 to September 04, 2025. It is expected that the renewal process will be completed in the third quarter of 2025 (valid for three years).
ISO 50001:2018 Energy Management System	Mega Chi-Lin Building, the headquarters of Mega Bank, was the first to adopt ISO 50001 Energy Management System in 2021, it was then adopted by the five headquarters buildings of Mega Group and verification was obtained in 2022. The review process was completed in 2023 and 2024 to maintain the validity of the certification. Mega Financial Holding has obtained the ISO 50001 certification on September 20, 2022, with the validity period from September 20, 2022 to September 20, 2025. It is expected that the renewal process will be completed in the third quarter of 2025 (valid for three years).
Green Building Label	In 2023, Mega Group obtained 8 silver-level or above Green Building Labels. In 2024, Mega Bank (Yongkang Branch) and Mega Securities (Xinying Branch) obtained bronze-level and qualified-level Green Building Labels. It is expected that a total of 20 locations will successfully transition by 2030.
Solar Powered Branches	In 2024, Mega Bank's Gangdu Branch has been set up as a solar-powered branch, while another six locations are in the process of carrying out related construction work. It is expected that by 2030, a total of 10 self-owned operating locations will have solar-powered branches set up.

Note : For ISO 14001, ISO 14064 and ISO 50001 certification, please refer to 9.3 Verification Statement by External-Independent Parties.

4.3.2 Energy and GHG Management

GHG Reduction Targets

To respond to the issue of climate change and to support Taiwan's energy transition policy to develop "clean energy that uses less coal, more gas, greener, and non-nuclear" to reduce air pollution and implement energy conservation and carbon reduction, in December 2023, the Board of Directors approved to set the Group's greenhouse gas emissions (Scope 1+2) with reference to the SBTi requirements: Reduce emissions by 42% by 2030 and achieve net-zero emissions by 2050 from a 2022 base year.

Renewable Energy and Carbon Rights Procurement

In 2019, the Mega Group completed its first T-RECs transaction and purchased T-RECs from the Hakka Affairs Council, Kaohsiung City Animal Protection Office, and National Penghu University of Science and Technology through the National Renewable Energy Certification Center's online platform. Mega Group has accumulated 1,176 certificates by 2022. However, considering that the supply of T-RECs is unstable and prices are soaring year by year, to achieve the Group's SBT goal, we will gradually increase the proportion of renewable electricity for Mega Financial Holding and subsidiary headquarters from 2023.

In 2024, the main headquarters building of Mega Group was expected to use more than 60% renewable electricity, and a total of 9,381,000kWh of renewable electricity has been calculated, which is expected to reduce 4,634.21 metric tons of CO2e. Mega Group has also set a mid- to long-term goal of using 100% renewable energy for its own domestic operating locations by 2030 and 100% renewable energy for its global operating locations by 2050.

In addition, in conjunction with the official launch of the International Carbon Credit Trading Platform by Taiwan Carbon Solution Exchange (TCX) on December 22, 2023, Mega Financial Holding has actively responded to become one of the first international buyers of carbon rights, which will be used to offset emissions from ISO 14064 GHG inventory for business travel, and to fully support the government's efforts to move toward the era of carbon pricing.

GHG Inventory

Mega Group has introduced ISO 14064-1 GHG inventory since 2015, with five main buildings as demonstration units in the first year, gradually expanding the boundary of the inventory. In 2019, 139 locations in northern and central Taiwan have completed verification, for a coverage rate of 72% (excluding overseas locations). In 2020, the Group expanded the scope of its inventory to include 192 locations throughout Taiwan for a coverage rate of 100% (excluding overseas locations). In 2021, we began calculating the Scopes 1+2 emissions from our overseas locations and completed the GHG inventory in 2022, achieving a Group coverage rate of 100%. In 2023, domestic sites' Scope 1+2 emissions was reduced by 6.42% compared to the base year, achieving the short-term goal of a 5.25% reduction compared to the base year. In 2024, the GHG 1+2 emission of domestic locations reduced by 23.1%, while the global locations reduced by 19.9% compared to the base year, achieving the short-term goal of a 10.5% reduction compared to the base year.

★ Case Study

Carbon Reduction Promotion Measures - Office Power Saving Plan



In 2024, Mega Group replaced the old air-conditioning units of the building and selected high-efficiency air-conditioning equipment with energy-saving labels and R410A environmentally friendly refrigerant to save energy and utilize the existing refrigerant pipelines. In the same year, we also completed the replacement of air conditioners and lighting equipment at our main business locations, with a total investment of approximately NT$26,428,445, which is expected to reduce carbon emissions by 3,837.23 metric tons of CO2e, and save electricity costs by approximately NT$38,839,020.

In addition, Mega Group replaced all VFD split air-conditioners with environmentally friendly refrigerants in 2024; implemented a one-hour lights out during lunch break; adopted an electronic document system to implement paperless meetings and online operations to save electricity and paper waste on printers.

★ Case Study

Mega Financial Holdings won the Ministry of Environment's National Enterprise Environmental Protection Award - Bronze



Mega Financial Holding promoted net-zero transformation and implemented green operations. For the first time at the group level, it won the Bronze Award at the Ministry of Environment's 6th National Enterprise Environmental Protection Award. On September 6, 2024, Minister Chi-ming Peng of the Ministry of Environment served as the award presenter, while the President attended the award ceremony on behalf of the Group, demonstrating Mega Group's commitment to respond to the government's environmental policies.

4.3.3 Water Resources Management

Mega Group belongs to the financial services industry, and water consumption in its operations mainly comes from general domestic water use, which has a minimal impact on the environment. However, since Taiwan is located in an area with low water pressure, the Sustainable Development Committee resolved to update the target in 2024, and set the per capita water consumption in 2021 as the base year. The short-term target was a 1.5% reduction by 2024 compared to the base year, interim target of 4.5% reduction by 2030 compared to the base year, and long-term target of per capita water consumption not exceeding 21.12 kWh at the Group's domestic operations. Through various channels, we educate our staff on the importance of cherishing water resources at each of our business locations and prioritize the purchase of equipment with water-saving labels (e.g., sensor-type faucets and two-stage flushing equipment) in order to implement operational water resource management. The Group's water consumption per capita in 2024 was decreased by about 5.9%. For detailed Group water use information, please refer to Appendix 9.1.1 Environmental Metric Data.

4.3.4 Waste Management

Due to the characteristics of its industry, Mega Group does not produce physical products and does not generate toxic waste during its operations. In 2024, the Sustainable Development Committee decided to update its goals, setting the per capita general waste volume in 2023 as the base year. The short-term goal was to reduce waste by 1% from the base year in 2024, the mid-term goal was to reduce waste by 7% from the base year in 2030, and the long-term goal was to reduce general waste per capita to no more than 34.7 kilograms at the Group's domestic operation sites. It also actively promotes resource recycling, waste separation and recovery. The Group has commissioned cleaning companies to dispose of general waste. Recyclable waste is delivered to qualified recycling plants while general waste is mainly disposed by incineration. The Group's per capita waste reduced by approximately 23.8% in 2024 compared to 2023. For detailed information on the Group's waste, please refer to Appendix 9.1.1 Environmental Metric Data.

Mega Group launched a waste reduction program in 2018. Office wastes are divided into general waste and recyclable waste. Mega Financial Holding and its subsidiaries have also implemented the "Zero Personal Bin" policy to reduce domestic waste produced by employees. At the same time, through various environmental protection education training and activities, we promote waste reduction management measures to our staff, building management and cleaning companies from time to time.

★ Case Study

Mega Bills "Waste Reduction through Meals" Program



In response to Mega Group's waste reduction policy, Mega Bills employee cafeteria has replaced paper lunch boxes with reusable 304 stainless steel plates since September 2020, effectively reducing disposable food container waste. Reduced 158 paper lunch boxes per day, around 39,500 per year, and 1,027 kg of disposable food container usage in 2024.

★ Case Study

Mega Financial Holding Holds Environmental Sustainability Seminar on Environmental Titled "Net Zero Green Living, Recycle and Love the Earth"

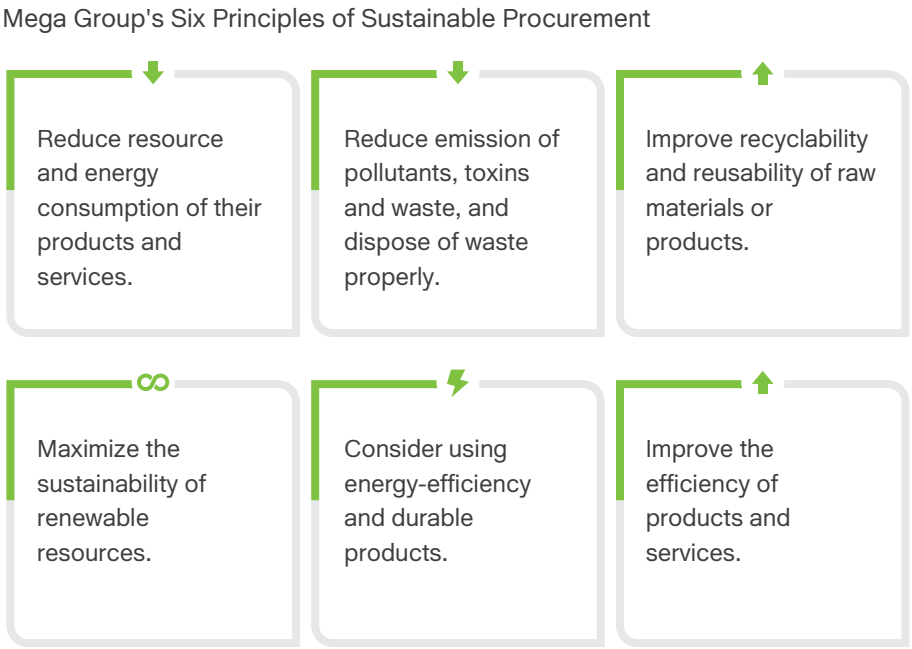


Mega Financial Holding held the "Net Zero Green Living, Recycle and Love the Earth" environmental sustainability seminar on December 10, 2024, inviting Minister Chi-ming Peng of the Ministry of Environment and Distinguished Professor Chin-Chang Hung of National Sun Yat-sen University to serve as lecturers. About 350 directors, supervisors, senior executives and personnel of Mega Financial Holding participated in-person or remotely, engaging in discussions on creating green growth in the era of carbon pricing and the key role of marine blue carbon in global climate solutions.

4.4 Sustainable Procurement

Mega Group follows the Sustainable Development Policy, which states that "green procurement should be prioritized and products from environmentally friendly manufacturers should be adopted", and the Sustainable Development Best Practice Guidance, which states that "recycling-based procurement that promotes resource reduction, recycling and reuse should be taken into account", in order to implement responsible procurement management. Mega Group is advised to consider the effect of business operations on ecological efficiency, promote and advocate the concept of sustainable consumption, and conduct operations in accordance with the following principles to reduce the impact of its business operations on the natural environment and human beings.

Mega Group's Six Principles of Sustainable Procurement



4.4.1 Supply Chain Management

Before cooperating with suppliers, Mega Group needs to check with the online inquiry systems of the competent authorities (e.g. the Ministry of Labor and the Ministry of the Environment) to find out whether the suppliers have any negative records on adverse environmental or social impact, which will be used as a reference for evaluation and selection.



To implement supplier management, Mega Group revised the "Supplier Sustainability Management Guidelines" in March 2024, and requested subsidiaries to develop guidelines or comply with related regulations. The revisions also specify the regulatory requirements that existing suppliers must comply with regards to labor rights, human rights, occupational safety and health, environmental sustainability, and business ethics and integrity, etc. In addition, new suppliers must sign the "Supplier Sustainability Statement" when entering into a contract with Mega Group and take environmental and social criteria into consideration. If a supplier violates the terms of the Guidelines or conducts specified in the Statement, Mega may terminate or rescind the contract at any time and blacklist the supplier. In 2024, suppliers with whom Mega Group signed a contract did not violate any laws and regulations nor engage in conducts prohibited in the aforementioned Guidelines/ Statement.

Supplier Sustainability Statement

Supplier Sustainability Statement of Mega Group in the Past 3 Years

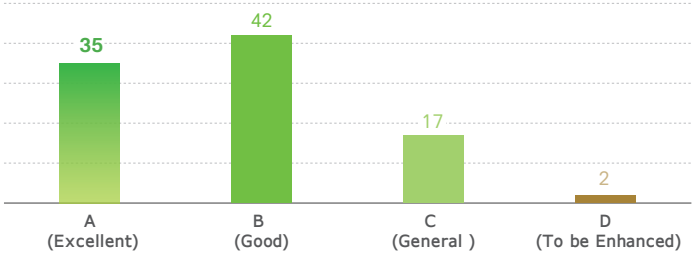
Items		2022	2023	2024
Number of Contracts	(A)	658	666	742
Contract Amount (thousand NTD)	(B)	3,071,941	2,432,573	2,860,593
Number of suppliers who signed the Supplier Sustainability Statement	(C)	658	666	742
Contract amount of suppliers who signed the Supplier Sustainability Statement (thousand NTD)	(D)	3,071,941	2,432,573	2,860,593
Contract amount of suppliers who signed the Supplier Sustainability Statement in percentage (%)	(=D/B)	100%	100%	100%
Total Procurement Amount (thousand NTD)	(F)	3,475,429	3,257,666	3,117,960
Contract amount of suppliers who signed the Supplier Sustainability Statement as a percentage of total procurement amount (%)	(=D/F)	88.39%	74.67%	91.75%

Note：The Statement is signed by key suppliers who have a procurement contract with the company.

Supplier Sustainability Self-Assessment Questionnaire and Training

Result of Self-Assessment from the Key Suppliers in 2024

Unit: number of suppliers



To strengthen supply chain management and promote the benefits of supplier engagement, Mega Group launched a "Sustainable Development Self-Assessment Questionnaire" mechanism for key suppliers (frequent transactions, or whose single or cumulative transaction amount in the previous year was NT$1.5 million or more). The objective of the questionnaire survey is to determine the supplier's performance in "labor rights, human rights, environmental sustainability, occupational safety and health, and ethical management." Suppliers are required to perform a self-assessment of their sustainability performance in the previous year. The performance is rated from A to D. In 2024, a total of 96 questionnaires were returned, and the results were 35 companies with the A rating, 42 companies with B rating, 17 companies with C rating, and 2 companies with D rating.

Analysis of the questionnaires revealed that the key suppliers were mainly SMEs, and they needed to improve aspects in relation to ESG information disclosure and transparency, and adoption of ISO environment-related management systems. To this end, Mega Group will continue to implement training and supplier communication meetings to increase the coverage of sustainability-related training between the Group and its suppliers. In addition, we intend to enhance the effectiveness of self-evaluation by strengthening the promotion of questionnaire completion, increasing the number of random checks, requiring the provision of supporting information, or conducting comprehensive surveys through external professional organizations.

★ Case Study



Mega Group and Value Chain Partners Jointly Held the 3rd "Supplier ESG Seminar"

Continuing the spirit of the Ministry of Finance's "ESG Advocacy Platform for Public Financial Businesses", Mega Group held the 3rd "Supplier ESG Seminar" activity series with the theme of "Circular Economy x Low-Carbon Transformation" on the afternoon of March 20, 2024. The event was hosted by the Chairman of Mega Financial Holding, with guidance from the FSC, and Deloitte Taiwan sharing supplier sustainable management issues. Invitations were expanded to nearly 40 key supplier representatives to participate in the event.

4.4.2 Green Procurement

Mega Group is committed to prioritizing the purchase of products with environmental or energy-saving labels, and has set the Group's green procurement target of "the current year's green procurement amount reaching 2.5% of the total procurement amount". The green procurement amount accounted for 9.82% in fiscal year 2024, achieving the target. In addition, Mega Bank and CKI received the "Award for Performance Excellence in Green Procurement Among Private Enterprises and Organizations in Taipei City" from the Taipei City Government Department of Environmental Protection for seven consecutive years and three consecutive years respectively.

Items of Green Procuremen

IT and Office Equipment	Lighting Equipment	Transportation Vehicles (Company Cars and Motorcycles)	Air-conditioning and Electrical Appliances (e.g., refrigerators and water dispensers)
• Products with environmental protection labels are chosen for the procurement of computer equipment (PCs).	• LED lighting equipment is prioritized for the replacement of old lighting equipment.	• Company Cars: Prioritize models with environmental protection certification and gradually increase the use of hybrid vehicles. • Company Motorcycles: Group subsidiaries have begun procurement of electric motorcycles with environmental protection certification.	• Our central air-conditioning systems use chiller models with coefficient of performance (COP) above 4 and split air-conditioners that have energy efficiency certification. The coolant may not contain controlled substances specified in the Montreal Protocol and models with energy labels are selected for water dispensers.

Mega Group's Green Procurement in 2024

Unit: thousand NTD

Items		Amount	Amount of Green Procurement
Type 1 & 2 Environmental Protection Certification		198,040.1	306,254.4
Type 3 Environmental Protection Certification		406.5	
Energy Stars		24,166.4	
FSC		923.4	
PEFC		256.8	
Other	(e.g. Carbon Footprint and Carbon Reduction Labels)	82,461.2	
Total Annual Procurement Amount			3,117,600
Percentage of Annual Green Procurement Amount (%)			9.82%

★ Case Study

Mega Bank Certified to ISO 20400 Sustainable Procurement Guidelines



Mega Bank adopted the ISO 20400 Sustainable Procurement Guidelines at the end of 2023, implementing sustainable concepts in procurement policies and practices in a systematic manner. In 2024, Mega Bank passed the third-party certification by SGS, and the certification ceremony was held on March 28th of the same year, in which Executive Vice President Nian-Tzi Yeh of Mega Bank accepted the certificate presented by Johnny Shieh, Chief Operating Officer of SGS on behalf of Mega Bank.

Note : Mega Group purchases eco-friendly products or products with energy efficiency labels, specifically those defined by the Ministry of Environment, which requested enterprises, both private and public, to declare their green procurement, including Type 1 & 2 Green Mark, and Type 3 Eco-labeled Products (which includes energy label, water conservation label, green building material label, carbon footprint label, and carbon reduction label), as well as green products that certified by other foreign eco-label organizations such as energy stars, FSC, PEFC and etc.



Sustainable Finance

5.1 Sustainable Finance
5.2 Financial Inclusion

- 11 EP-conforming financing projects undertaken by Mega Bank in 2024
- Credit cards issued by Mega Bank received the ISO 14067 Carbon Footprint and ISO 14046 Water Footprint certifications and obtained PAS 2060 Carbon Neutrality certification, making us the first private issuer of carbon neutral credit cards with a cumulative total of 1.33 million cards issued, equivalent to 143 metric tons of CO_2e.
- Mega Bank began offering sustainable deposits, amounting to NT$2.328 billion
- Mega Bank underwrote 360 sustainability-linked loans, with loans outstanding at the end of the year of approximately NT$238.7 billion

Material Topics of GRI Standards

GRI 203 Indirect Economic Impacts

Corresponding Material Topics

Information Security, Sustainable Finance, Customer Relationship, Digital Innovation, Financial Inclusion

Targeted Stakeholders

All Stakeholders

5.1 Sustainable Finance

In addition to signing the Equator Principles and the SBT, Mega Financial Holding was invited by the Financial Supervisory Commission (FSC) to join the "Coalition of Movers and Shakers on Sustainable Finance" at the end of 2023. Through the planning of various sustainability-related investments, loans, and other financial products and services, we promoted the international trend of ESG sustainable development, which will allow us to fulfill our roles in bridging the gap between the financial sector, environmental protection, and economic growth. Through incorporating the core business activities of our subsidiaries such as issuing/undertaking sustainable development bonds, investments and financing in renewable energy technologies, issuing green credit cards, reinforcing SME loans, and providing microinsurance products, Mega Group strives to exert a positive influence in the financial industry and integrates finance with sustainability to fulfill financial inclusiveness. In the future, Mega Group will continue to actively engage with customers, assisting them in seizing competitive advantages and leading the development of the sustainable industry.

5.1.1 Sustainable Finance Management

In response to the trend of sustainable finance development at home and abroad, we aim to develop a business model that integrates economic growth with environmental and social inclusion. We have formulated the "Sustainable Finance Policy" based on sustainable standards such as the "Equator Principles (EPs)", "Principles for Responsible Banking (PRB)", "Principles for Responsible Investment (PRI)", "Principles for Sustainable Insurance (PSI)", "IFC Performance Standards & EHS Guidelines", the United Nations' "Convention on Biological Diversity (CBD)", "Stewardship Principles for Institutional Investors", "Credit Lending Guidelines for Banking Associations", and the "Green Finance Action Plan". Through the five principles of sustainable finance, we leverage the power of financial flows to shape positive impact towards a sustainable society. In 2024, Mega Financial Holding made a public commitment to the "Anti-Greenwashing Declaration" with reference to the "Reference Guidelines for Financial Institutions to Prevent Greenwashing" issued by the Financial Supervisory Commission (FSC), and requested the heads of each subsidiary to sign the Declaration to ensure the accuracy, completeness, and comparability of financial product and service information. An internal control or risk management mechanism has been established by adding items to the internal audit checklist or self-assessment checklist, as to avoid misleading the judgments of financial consumers, investors or other market participants.

Mega Bank Anti-Greenwashing Measures

Item	Description
Green and Sustainable Deposits	• The "Green and Sustainable Deposit Guidelines" has been formulated, while the "Green and Sustainable Deposit Working Group" is established to manage green and sustainable deposits, credit matching and deposit ratio control. Every year, we entrust a third-party certification agency to audit and certify the green and sustainable deposit fund flows to ensure that the funds are used in green and sustainability projects. The third-party certification results are disclosed on Mega Bank's official website every year.
Sustainability Bond	• Before the issuance of sustainability bonds: (1) Prepare a proposal for sustainable development bonds and obtain an appraisal report from a third-party appraisal organization. (2) Obtain the qualification of sustainability bonds from the Taipei Exchange. • After the issuance of sustainability bonds: Issue a report on the utilization of the sustainability bond funds and obtain an appraisal report from a third-party appraisal organization on whether the utilization of the funds is in compliance with the plan.
Anti-Greenwashing Declaration	• In December 2024, the Anti-Greenwashing Declaration was signed, stating that Mega Bank will pay attention to the accuracy, completeness, and comparability of information. The Declaration will be placed on Mega Bank's official website.
Internal Control or Risk Management Mechanisms	• Relevant departments can add items to the internal audit checklist or self-assessment checklist and adopt pre- or post-management mechanisms to avoid violating the relevant principles of the "Reference Guidelines for Financial Institutions to Prevent Greenwashing" when making "Sustainability" or "Green" related statements externally. • The sustainability information disclosed by Mega Financial Holding's Sustainability Report, Mega Bank's Annual Report, and Mega Bank's official website are all handled in accordance with Mega Financial Holding's "Operating Procedures for Sustainability Information Preparation and Verification". It clearly stipulates that if the sustainability information is in the nature of a public announcement, an advertisement, or any form of statement, the sustainability information should be in accordance with the "Reference Guidelines for Financial Institutions to Prevent Greenwashing" issued by the FSC, to confirm that the bank or the financial products and services provided are in compliance with the relevant financial laws and regulations. When making "Sustainability" or "Green" related statements externally. (including publicity, advertising, or any other form of statements), attention should be paid to the accuracy, completeness, comparability and compliance with relevant principles of the statements.

Sustainable Financial Products/Services

Encourage Subsidiaries to develop low-carbon products (e.g., loans, investments, insurance, etc.) based on the concept of sustainable finance.

International Initiatives

Actively participate and sign on as a supporter of ESG-related international initiatives and principles.

Operation Management

Establish and continue to review/revise related management mechanisms, and develop and monitor strategies and goals in relation to ESG opportunities.

Risk Management

Include climate change and other ESG-related risk factors into risk management framework, and develop metrics and targets.

Sustainable Value

Actively guide employees, customers, investors, and members of the public to co-create sustainable value.

Proportion of Each Business Income by Mega Group in 2024

Categories	Amount (thousand NTD)	Ratio (%)
Corporate Loans	38,329,478	40.4%
Personal Loans	4,421,813	4.7%
Project Finance	364,491	0.4%
Asset Management	777,079	0.8%
Investment Banking and Brokerage	4,237,461	4.5%
Insurance	7,066,425	7.4%
Others	39,748,624	41.9%

Management Policy	Applicability	Degree of Application
Policies, standards, guidelines related to responsible lending	Corporate lending, personal loans	100%
Policies, standards, guidelines related to responsible investment and stewardship	Investment businesses	
Policies, standards, guidelines related to sustainable insurance	Insurance	

Implementation of Sustainable Finance

Mega Group has established various management policies to practice sustainable finance. Prior to providing services such as credit, investment, and underwriting, the Group strengthens its Know Your Customer (KYC) and Customer Due Diligence (CDD) processes by checking banned or sensitive lists, and ESG risk assessment checklists. Customers are classified into high, medium, and low ESG risk categories for risk-based management, and support is provided to customers who are involved in industries that contribute to sustainable development. After carrying out a business, we continue to follow up and control the ESG risks of our customers. If a customer exhibits ESG-related risks, we urge the customer to carry out an improvement plan and if a risk cannot be improved effectively, we will assess and decide whether to stop or gradually cease any business dealings with that customer. In accordance with the annual audit plan, the audit unit strengthens the inspection of the relevant standards and execution procedures of the revised sustainable finance policies of the units under review to ensure the effectiveness of the internal control system.

Step 1: List Filtering	Step 2: Risk Assessment	Step 3: Post Management
• Banned list • Sensitive list • List of industries involved in sustainable development	→ • ESG risk assessment • Assessment of commitment to Equator Principles	→ • Continue to follow up ESG risk and related improvement plans • Establish a control mechanism to gradually reduce the proportion of asset portfolios targeting highly sensitive industries

Step 1: List Filtering

Banned List

- Products or activities that violate local laws, regulations, international conventions and agreements
- Products or activities restricted by domestic or international sanctions
- Sanctioned individuals or entities under the Anti-Money Laundering and Countering Terrorism Financing Act
- Activities that involve harmful human and ecological practices, such as the production or sale of drugs, controversial weapons, illegal weapons and ammunition, illegal gambling, pornography, the use of gillnetting with a gillnet length of 2.5 km or longer, and commercial logging of primary rainforests

Sensitive List

High environmental and social impact industries or subjects:

- Activities involving harmful or exploitative labor that have been fined by regulatory authorities and have not been improved
- Industries with a highly negative impact on biodiversity, such as those that have been penalized by the competent authorities for environmental pollution, endangering biodiversity, and the sustainability of water and marine resources but without making improvements
- Activities that violate the principle of good faith in business operations that have been fined by regulatory authorities and have not been improved
- Mining and quarrying industries.
- Wildlife leather and fur processing, fur trading
- Dyeing and finishing industries
- Non-medical or harmful genetic engineering for human development
- Manufacture of pesticides and environmental chemicals
- Chemical products containing harmful heavy metals such as cadmium, mercury, lead, arsenic, and nickel that are harmful to human health

High carbon emission industries:

- Mining of Oil and Natural Gas
- Manufacture of Pulp, Paper and Paperboard
- Petroleum and Coal Product Manufacturing Industry
- Chemical Raw Material Manufacturing
- Plastic Raw Material Manufacturing
- Cement Manufacturing
- Steel Manufacturing
- Aluminum Manufacturing
- Electricity Supply (Excluding Renewable Energy)

List of Industries Involved in Green or Sustainable Development

- Renewable Energy
- Energy Technology
- Low Carbon Transportation
- Water Resource Utilization
- Sustainable Architecture
- GHG Reduction
- Circular Economy
- Smart Information and Communication Technology
- Sustainable Agriculture, Forestry, Fishery, and Animal Husbandry
- Companies with Outstanding Sustainability Performances
- Other activities that contribute to reducing carbon emissions, promoting circular economy, and enhancing ESG business or activities

Step 2: Risk Assessment

ESG Risk Assessment - Review Considerations

Environment (E) Factors

- GHG Emissions
- Waste and Hazardous Substance Management
- Supply Chain Management
- Circular Economy
- Water Resources Management
- Biodiversity

Social (S) Factors

- Quality Management
- Occupational Safety
- Labor Rights
- Community Engagement
- Conflict Minerals
- Chemical Safety

Governance (G) Factors

- Sustainable Governance and Disclosure
- Transparency in Finance
- Corporate Governance
- Trade Secret Protection
- Business Continuity Management
- Membership in Associations

Assessment of Commitment to Equator Principles

Request for Loan Application (Business units)	File Application (Environmental and Social Risk Project Team)	Credit Extension Review (Environmental and Social Risk Project Team)	Contract Signing (Business units)	Fund Allocation (Business units)	Post-loan Management (Environmental and Social Risk Project Team)
Confirm compliance with the EPs	Classify environmental and social risk	Review of the environmental and social risks of credit cases	Include EPs compliance clause in the contract	Draw funds for the loan	Regular monitoring of environmental and social risks of credit cases

Note：Mega Bank signed the "Equator Principles (EPs)" in August 2021. According to the EPs, cases that comply with the principles require an internal expert team to assess the environmental and social risks of the cases. When necessary, external expert assessment results should also be considered.

Investment and Financing Customer Engagement

To leverage financial influence, respond to the Government's "2050 Net Zero Emissions" target, promote the achievement of the Group's SBTi, and implement the "Coalition of Movers and Shakers on Sustainable Finance" commitments, the Group completed engagement with 52 high-carbon emission companies in 2024. Engagement was carried out through holding ESG engagement meetings, attending investee companies' shareholders' meetings and distributing Engagement Questionnaires. Of these, 23 have set medium- and long-term carbon reduction targets by 2050. In 2024, Mega Financial Holding established the "Engagement Policy" to strengthen communication and engagement with stakeholders. The Group's subsidiaries continue to actively communicate with customers through various channels.

In accordance with the definition of the "Reference Guidelines for the Recognition of Sustainable Economic Activities" announced by the competent authorities, Mega Bank compiled statistics on the "Self-assessment Questionnaire on Corporate ESG Information and Sustainable Economic Activities" completed by its loan applicants in 2024. Among which, the "Reference Guidelines for the Recognition of Sustainable Economic Activities" was applicable to a total of 98 applications, including 85 counts of "Compliant", 6 "In Progress", and 7 "Non-compliant" out of the sustainability self-assessment results.

In 2024, Mega Bank also used engagement meetings to understand the sustainability progress of its investment clients, encourage them to join SBTI, and whether they have plans to invest funds in economic activities listed in the Reference Guidelines for the Recognition of Sustainable Economic Activities.

Furthermore, to support and encourage low-carbon transformation of enterprises, the bank's credit officers are required to fill out the "ESG Information and Post-loan Survey Form" when accepting corporate loan cases to understand whether high-environmental-risk customers have relevant sustainable transformation plans. They are also required to use the "Self-assessment Questionnaire on Corporate ESG Information and Sustainable Economic Activities" of the Joint Credit Information Center to guide the enterprises that have a lower self-assessed compliance ratio of sustainable economic activities to gradually achieve the sustainability conditions set out in the reference guidelines by means of communication and engagement or setting up of credit terms.

In 2022, Mega Bank issued a climate compliance questionnaire for investment businesses for the first time. For long-term equity investment businesses, it has conducted climate compliance actions in the form of questionnaires for three consecutive years. The 2023 questionnaire included SBTi-related topics, and the 2024 questionnaire added biodiversity and natural resources topics to encourage customers to follow the SDGs and promote plans and actions for natural ecological conservation. In addition, the engagement status of the investment businesses will be summarized and disclosed in Mega Bank's due diligence report to gain a deeper understanding of the investment businesses' progress in sustainable development, so as to continue to negotiate with the investment businesses and track their climate risk improvements. It is also expected that the "Reference Guidelines for the Recognition of Sustainable Economic Activities" and "Biodiversity or Nature Conservation" issues will be added to the 2025 investment and financing engagement questionnaire.

Mega Bank's "Corporate Lending ESG Risk Rating Guidelines" incorporates rating information from domestic and foreign ESG rating agencies provided by the Taiwan Depository & Clearing Corporation's ESG IR Platform, such as MSCI ESG Ratings, TWSE Corporate Governance Evaluation, and Sustainalytics ESG Risk Scores. The business units communicate and engage with the loan recipients by requesting them to provide explanations and specific improvement plans, or by imposing conditions on the granting of loan (e.g., urging the loan recipients to complete the improvement of specific ESG indicators), and include them in the post-loan management tracking items to track the improvement situation on a regular basis. The investment portion also refers to the information on the platform and discloses the relevant statistics and engagement results with the investment businesses on various issues in the due diligence report.

★ Case Study

Mega Bank Held SBT Engagement Workshop to become a Strong Backing for Enterprises' Low-Carbon Transformation



Mega Bank held an SBT engagement workshop, with a keynote speech by Deloitte & Touche Taiwan to share the net zero sustainability trend. A total of 27 investment and financing companies and more than 50 people participated in the event. The invited industries covered electronic manufacturing, shipping, cement manufacturing, transportation, and warehousing. During the workshop, the "Reference Guidelines for the Recognition of Sustainable Economic Activities" were explained to guide the participants to formulate carbon reduction transformation or improvement plans to gradually achieve the sustainability conditions stipulated in the Reference Guidelines.

Mega Bank Climate Engagement Questionnaire

- ☐ Do you have a climate change management policy?
- ☐ Do you conduct greenhouse gas emission inventory, verification and disclosure measures?
- ☐ Are there any plans for greenhouse gas emission reduction targets and practical actions?
- ☐ Is it feasible to join the SBTi?
- ☐ What impact might carbon fees have?
- ☐ Biodiversity and natural resources issues?
- ☐ .....



Customer	Percentage of Customers with whom ESG Risks and Opportunities were Communicated	Communication Channel
Corporate Customers	100%	• Information on sustainable finance loans, such as loans for renewable energy generation industries, ESG preferential loans, electric vehicle industry supply chain loans, and loans for B-type enterprises and social innovation enterprises, announced on the Mega Bank's official website. • To implement ESG assessment and encourage customers to make improvements, Mega Bank has added a review mechanism to its credit conditions. For example, through sustainability-linked loans, once the ESG indicators are met, the interest rate can be reduced; conversely, once the fine meets the set conditions, the interest rate can be increased. The original interest rate can only be restored after the penalty incident has been improved, and customers are encouraged to improve the problem through post-loan review. • Promote the importance of climate change and greenhouse gas management by distributing climate engagement questionnaires to investment targets, with a total of 114 valid questionnaires collected in 2024. • A series of ESG seminars to which customers and credit division employees were invited to learn about sustainability trends (such as reference guidelines for the identification of sustainable economic activities, SDGs, SBT, etc.), with over 121 companies participating in 2024. • Through sustainability-linked loans, we encourage customers to make low-carbon transitions and encourage companies to invest more resources by negotiating loan conditions to achieve the promised "sustainable performance indicators", with a total of 443 loans processed in 2024. • For investment and financing customers with high Scope 3 emissions in the banking sector, we communicated on topics such as climate change, greenhouse gas inventories, and international initiatives through engagement meetings, questionnaire, briefings etc. In 2024, we engaged with 52 high-carbon emission companies.
Individual Customers		• Send information from Company website, Facebook fan page, official LINE account, EDM, text message (SMS), publications or email about relief loans for workers, youth entrepreneurship loans, government policy housing loans, exclusive credit for women, and preferential credit for electric vehicles. • When customers apply for mortgage loans over the counter, they are provided with brochures on youth home purchase loans for reference.

Training on Sustainable Finance

To effectively implement sustainable financial management, Mega Group actively leads the cultivation of sustainable financial talents within the Group. In addition to organizing in-house training courses, we also encourage employees to attend external courses or seminars to enhance their professional knowledge on sustainability.

Mega Group's Training on Sustainable Finance in 2024

Total Training Hours (hours)				Total Number of Enrollments			
Internal Training	117,603	Management	33,092	Internal Training	43,461	Management	11,298
External Training	7,286	Non-Management	91,796	External Training	1,792	Non-Management	33,955
Total			124,888	Total			45,253
Percentage of employees trained in sustainable finance in 2024 (%)				98.99%			
Percentage of Group employees who received training in the past three years (%)				99.33%			

★ Case Study

Mega Financial Holding Co-Organized "We Support Net Zero Transformation, Moving to Industrial Parks with Mega" Event



Mega Bank held organized a series of seminars on "We Support Net Zero Transformation, Moving to Industrial Parks with Mega", and invited clients of Mega Financial Holding's subsidiaries, including Mega Bank and Mega Bills to attend. The Group's investment and financing clients participated enthusiastically. Mega Bank also introduced the "Moving to Industrial Parks with Mega" project, which was launched to meet the capital needs of enterprises entering the Ministry of Economic Affairs' industrial parks, so that enterprises can make good use of various resources, accelerate low-carbon and smart development, and promote industrial transformation and upgrading.

★ Case Study

2024 ESG Finance Leaders Roundtable Forum



The Bankers Association, the Taiwan Academy of Banking and Finance, and the European Chamber of Commerce Taiwan jointly organized the "2024 ESG Finance Leaders Roundtable Forum". Mega Bank's Associate Manager Shu-chin Chen was a panelist and shared her experience in the "Transformation of High-Carbon-Importance Industries" with the financial industry.

★ Case Study

2024 5th International Trends and Prospects Forum of Sustainable, Transition FinTech Impact Investing



Mega Financial Holding and National Cheng Kung University jointly organized the "2024 5th International Trends and Prospects Forum of Sustainable, Transition FinTech Impact Investing", with President and Chief Information Security Officer serving as panelists to share topics such as "Sustainable Financial Business Results" to demonstrate financial influence and "Power of Green Financial Technology" to accelerate the promotion of ESG transformational finance.

5.1.2 Responsible Lending

Mega Bank and Mega Bills have established the "Climate Risk Management Guidelines" and multiple responsible lending policies, actively incorporate ESG factors into the credit evaluation process. Mega Bank has formulated the "Corporate Lending ESG Risk Rating Guidelines" to understand the ESG risks of corporate loan targets and conduct grading management. In addition, Mega Bank has formulated the "Green Loans Management Guidelines" to guide customers to pay attention to sustainability issues and to establish internal procedures for the identification and management of green loans, CSR loans, and sustainable performance-linked loan to avoid the occurrence of "Greenwashing". To understand the lending businesses that may be affected under the trend of sustainable transformation, Mega Group has identified 10 high-risk industries before 2024 and strengthened management of industries with higher potential impact.

Scale of Top 10 High-risk Industries of Mega Group's Lending Business in 2024

Unit: Thousand NTD

Industry	Ratio (%)	Credit Exposure Amount
Real Estate Industry	32.39%	452,926,832
Financial Service Industry	13.34%	186,608,909
Wholesale Industry	12.61%	176,325,819
Electronic Components Manufacturing Industry	9.46%	132,342,993
Transportation Industry	9.00%	125,831,190
Manufacture of Chemical Material and Fertilizers, Nitrogen Compounds, Plastic Materials, Man-made Fibers Industry	5.01%	70,042,809
Service Industry	4.69%	65,614,204
Machinery and Equipment Manufacturing Industry	4.65%	65,042,045
Computer, Electronic and Optical Product Manufacturing Industry	4.48%	62,700,226
Metal Products Manufacturing Industry	4.36%	60,912,920

Equator Principles Lending

In 2024, Mega Bank approved 11 cases that comply with the Equator Principles, including 1 Category A case, 2 Category B cases, and 8 Category C cases. No cases were refused.

2024 Equator Principles Lending Status by Mega Bank

Category		Item	Total
Equator Principles Case Category	Project Investment/Financing	10	11
	Project-Related Loans	1	
Number of Projects Reviewed and Approved according to the Equator Principles	Category A (high risk cases)	1	
	Category B (medium risk cases)	2	
	Category C (low risk cases)	8	

Note : There were 7 cases subject to the Equator Principles reached Financial Close in 2024.

Case Study on Mega Bank Project Investment/Financing Cases Applicable to the Equator Principles

Case	Mexico Natural Gas Pipeline Syndicated Loan Case	Changhua Northwest Offshore Wind Power Syndicated Loan Case	Chiayi Yizhu Fishery Power Symbiosis Project Joint Loan Case
Description	In response to the needs of a Mexican state-owned electric power company, an international consortium of banks was commissioned for the expansion of a natural gas pipeline and the integration of the existing system to increase the overall capacity of the installation.	The loan was jointly initiated by Mega Bank and other banks to support its acquisition of half of the equity and corresponding development costs of the 582.9MW Changhua Northwest Offshore Wind Farm from the world's largest offshore wind power developer.	This loan was jointly initiated by Mega Bank and other banks to support the construction of a fishery-electricity symbiosis project in Yizhu, Chiayi, as well as three solar power plants in Taixi, Yunlin, Yongan, Kaohsiung, and Neipu, Pingtung, with a total installed capacity of approximately 242MW.
Verification Unit	Assessment by Lummus Consultants International LLC showed that the project's potential adverse impacts on the environment and society are limited, the impacts are confined to specific locations, and the impacts can be reduced or eliminated through mitigation measures; The syndicated loan agreement has relevant provisions that must comply with the Equator Principles.	Assessment by ERM-HONGKONG LTD showed that the project has the potential for significant adverse impacts on the environment and society, or involves diverse, irreversible or unprecedented impacts; the joint loan agreement contains clauses requiring compliance with the Equator Principles.	An assessment by AECOM showed that the project's potential adverse impacts on the environment and society are limited, the impacts are confined to specific locations, and the impacts can be reduced or eliminated through mitigation measures; the joint loan agreement contains clauses requiring compliance with the Equator Principles.

In 2024, among the number of cases reviewed by Mega Bank based on the ESG principles, 291 cases were rejected or deferred by auditors as ESG risk factors after reviewing the ESG principles.

Mega Bank's Corporate Loan Facilities Conditionally Approved or Not Approved due to ESG in 2024

ESG Aspects	Review Results	
	Conditionally Approved (including reduction and restrictive conditions)	Unapproved (Including deferral, self-referral)
E -Environmental (E)(such as involved in environmental pollution)	429	5
S -Social (S)(such as endangering social welfare and infringing human rights)	29	1
G -Corporate Governance (G)(such as poor corporate governance)	15	2
E + S Environmental and Social (e.g. involving environmental protection and labor law penalties)	41	0
Total	514	8

Note：Involving ESG risk factors is not the main reason for Conditionally Approved / Unapproved.

Infrastructure Credit

To help people have secure, reliable, and sustainable infrastructure to improve quality of life and reduce the disparity between urban and rural areas, Mega Group has granted a total of nine infrastructure credit cases in 2024, with a credit outstanding amount of approximately NT$44.677 billion at the end of the year. It was mainly on the categories of reclaimed water, low-carbon transportation construction, and wastewater sewage projects, to promote the sustainability of transportation and water resources.

Distribution of Loans to Infrastructure Construction by Mega Bank in 2024

Unit: Thousand NTD

Category	Environmental/Social Benefits	Loans Outstanding at the End of the Year
Low Carbon Transportation Construction	Assisted the government or manufacturers to invest in low-carbon transportation tools to reduce emissions from transportation, reduce greenhouse gas and suspended particulate emissions, and build a low-carbon environment and sustainable society.	37,475,296
Recycled Water and Sewerage Engineering	Through financing, we assisted the government or manufacturers to build sewerage systems to collect residential wastewater and discharge it into river systems after treatment and disinfection until it meets the discharge standards, which helps to improve environmental hygiene in urban areas, reduce the incidence of waterborne diseases, and enhance the quality of life of residents. In addition, in order to ensure stable water supply for industries, we supported the development of local government recycled water projects, which will be an important supplementary water source in the event of a shortage of water resources in the future.	7,201,910

Six Core Strategic Industries Loans

Mega Group has long supported the government policy promotion of economic structural transformation and the development of core strategic industries. The Group promoted the six core strategic industries, including information technology and digital, cybersecurity excellence, Taiwan precision health, defense and strategy, livelihood and military readiness, and green energy and renewable energy. The were 8,542 domestic loans granted by Mega Bank to the six core strategic industries in 2024 (excluding double-counting), and the balance of loans at the end of the year was approximately NT$566.94 billion.

Domestic Distribution of Sustainable Development Loans by Mega Bank in 2024 for the Six Core Strategic Industries

Unit: Thousand NTD

Industry	Description	Item	Loans Outstanding at the End of the Year
Information and Digital	Utilizing emerging technologies such as 5G, artificial intelligence, cloud computing, and the Internet of Things to improve people's quality of life and related industries.	2,778	251,205,914
Cybersecurity Excellence	Strengthening protection in emerging fields, creating high-level applications and ecosystems, and introducing cybersecurity into various core industries.	1,658	96,571,366
Taiwan Precision Health	Providing precise and personalized prevention, treatment, and care plans to promote the health industry.	887	33,589,024
Defense and Strategy	Aviation, naval, and space industry-related supply chains	4,632	295,743,548
Livelihood and Military Readiness	Ascertain the critical materials needed by the country for livelihood and military readiness, keeping the industry chain of critical materials domestically, and improving domestic production capacity and technological autonomy.	3,403	224,382,854
Green Power and Renewable Energy	Engaging in related industries such as green energy and renewable energy manufacturing, electricity and gas supply, construction engineering, transportation and storage professionals, science and technology services, and related industries.	2,645	183,164,848

★ Case Study

Mega Bank supports Ørsted Greater Changhua Offshore Wind Farms to Promote the Development of Taiwan's Renewable Energy Industry



Mega Bank has demonstrated its support for the government's offshore wind power policy through practical actions by participating in Cathay Wind Power's 19-year, NT$60.25 billion syndicated loan. The syndicated loan funds will be used to support Cathay Wind Power's purchase of half of the equity of the Ørsted Greater Changhua Offshore Wind Farms and the corresponding development costs. Ørsted Greater Changhua Offshore Wind Farms and Greater Changhua Southwest Phase II Offshore Wind Farms are currently in the joint construction stage, with a total construction capacity of 920 MW (million watts), and are planned to be completed by the end of 2025. Ørsted has also signed a corporate power purchase and sales contract with TSMC, under which TSMC will purchase all the power generated by the Greater Changhua Southwest Phase II and Northwest Offshore Wind Farms for the next 20 years. In addition to being one of the co-organizing banks, Mega Bank has also joined hands with the National Credit Guarantee Administration to shape a new partnership model for the provision of offshore wind power project financing.

Loans to Sustainable Development-Related Industries

In accordance with the internal "Guidelines for the Management of ESG/Sustainability-Related Industries and High-Risk Industries", Mega Holdings Group has identified 11 sustainable development industry categories and supports sustainable development enterprises to assist industries in sustainable transformation. In 2024, there were 1,632 cases of sustainable development industries of Mega Group (Mega Bank and Mega Securities), with a credit outstanding amount of approximately NT$3,574.28 billion at the end of the year, accounting for approximately 13% of the overall credit balance.

Distribution of Sustainable Development Loans by Mega Group in 2024

Unit: Thousand NTD

Industry	Description	Item	Loans Outstanding at the End of the Year
Renewable Energy	Solar, wind, geothermal, hydroelectric, and ocean energy industries, with a total installed capacity of 3,550MW in 2024.	242	38,018,307
Energy Technology	Transmission, distribution and energy storage facilities to increase or regenerate electricity generation and its use.	14	1,304,080
Low Carbon Transportation	Electric, hydrogen and other alternative fossil fuel transportation, passenger and freight transportation system conversion and efficiency improvement, public transportation, and other transportation industries.	137	58,437,624
Water Resource Utilization	Water monitoring smart network and early warning system, water storage, water recycling treatment, flood control and water conservation, and other hydraulic infrastructures.	46	7,259,843
Sustainable Architecture	Green buildings, building energy-saving systems or products in the construction industry.	20	11,591,153
GHG Reduction	Energy efficiency, non-energy generated greenhouse gas reduction, clean production and other industries.	164	13,068,548
Circular Economy	Waste cleaning and recycling, pollution control and carbon sequestration.	186	15,947,518
Smart Information and Communication Technology	Fiber optic broadband, data center and smart grid information and communication technology.	28	764,469
Sustainable Agriculture, Forestry, Fishery, and Animal Husbandry	Sustainable and verifiable carbon reduction related agriculture, forestry, fishery and aquaculture measures.	15	1,582,268
Companies with Outstanding Sustainability Performances	MSCI AA-rated or above, selected for DJSI, ranked in the top 20% of corporate governance ratings, and meeting Taiwan's sustainability classification criteria.	162	175,429,000
Other activities that contribute to reducing carbon emissions, promoting circular economy, and enhancing ESG business or activities	Medical, education, sports and fitness, road construction, and other social work services.	618	34,024,714

Corporate Loans on ESG Related Products

Unit: 100 million NTD

Item	Product Contents Description	Loans Outstanding at the End of 2024
Green loans, Social Loans, and Sustainability-linked Loans provided to Enterprises	It includes ESG-related loan cases such as green electricity and renewable energy industries, low-carbon transportation and construction, recycled water and sewage engineering, urban renewal and reconstruction of urban unsafe and old buildings among the six core strategic industries.	2,701
Sustainability-linked Loans	The loan conditions include the predetermined sustainability performance indicators (KPIs) with the enterprise. If the enterprise achieves the predetermined KPIs, the financing cost can be reduced, thereby encouraging the enterprise to actively move towards sustainable development.	2,387
SME Sustainability Loans	Provide ESG-related financing to loan customers that meet the definition of small and medium-sized enterprises, including green electricity and renewable energy industries among the six core strategic industries, and sustainability-linked loans.	1,635

Item	Loans Outstanding at the End of 2024
Total Balance of Corporate Loans	19,957
Percentage of SME Sustainability Loans in Total Loan Balance	8.19%
Percentage of Sustainability-linked Loans in in Total Loan Balance	25.49%

Note : The amounts of green loans, social loans, and sustainability-linked loans accounted for 3.57%, 0.10% and 11.96% of the total balance of domestic corporate loan, respectively.

Personal Loans on ESG Related Products

To help individuals choose the right sustainable loan program, Mega Bank offers a range of ESG related products related to personal loans, including sustainable home loans, green business employee loans, and electric vehicle loans. In 2024, 40,513 personal loan applications were granted, with NT$125.139 billion loans outstanding at the end of the year, accounting for approximately 21% of the total balance of personal loans.

Sustainable Loans by Mega Group to Personal Loan Borrowers in 2024

Unit: Thousand NTD

Category	Description	Item	Loans Outstanding at the End of the Year
Sustainable Mortgage	Mortgage is linked to environmental and social issues. A variety of mortgage plans that promote sustainable development is available, including green building mortgage, Government Concessional Loan for Youth Housing, various types of government concessional loans, and housing subsidies, etc.	36,297	122,650,588
Personal Loans for Employees of Green Enterprises	The objective of this product is to raise environmental and social awareness throughout an enterprise and across its employees, while ensuring both business interests and sustainable development. When reviewing a loan application, Mega Bank considers the sustainability risks of the enterprise for which a borrower works, and uses the diverse ESG information provided on the TDCC IR Platform as the criteria to assess whether an employee is eligible for interest rate reduction.	4,214	2,485,480
Electric Vehicle Loans	To encourage customers to implement an environmentally friendly and energy-saving and carbon-reducing lifestyle, customers who apply for loans during the event period can enjoy preferential loan interest rates by presenting proof of purchase of electric vehicles.	2	2,613

5.1.3 Responsible Investment

Mega Group adheres to the spirit of the "Principles for Responsible Investment (PRI)" and the "Stewardship Principles for Institutional Investors", integrating ESG into the investment analysis and decision-making process. For enterprises with high ESG risks, the Group has established management mechanisms. Enterprises with potential impacts on the environment and society, such as the dyeing and finishing industry, or high-carbon emission industries that harm environmental sustainability, human health, and biodiversity, should be subject to exception management. Prior to investment, due diligence should be conducted and a careful assessment made. If after the assessment there is no significant adverse impact on sustainable development, or conditional transactions can be adopted, then it can be implemented.

Investing in National Sustainable Development

Mega Group complies with international sustainable finance initiatives, green finance-related policies of regulatory authorities, and the development trend of inclusive finance policies and classification principles. The Group provides support for the six core strategies or sustainable development industries in line with national development trends, and hopes to support companies with environmental protection, social responsibility or sustainable management through investment funds to enhance social security and energy efficiency. In 2024, there were 1,108 cases of domestic investments in the six core strategic industries of Mega Group, with an investment balance (excluding double-counting) of approximately NT$352.4 billion at the end of the year, accounting for approximately 13.5% of the total corporate investment balance.

Distribution of Sustainable Development Investment by Mega Group in 2024 for the Six Core Strategic Industries

Unit: Thousand NTD

Industry	Description	Item	Investment Balance at the End of the Year
Information and Digital	Utilizing emerging technologies such as 5G, artificial intelligence, cloud computing, and the Internet of Things to improve people's quality of life and related industries.	292	98,435,835
Cybersecurity Excellence	Strengthening protection in emerging fields, creating high-level applications and ecosystems, and introducing cybersecurity into various core industries.	116	36,976,813
Taiwan Precision Health	Providing precise and personalized prevention, treatment, and care plans to promote the health industry.	73	6,304,753
Defense and Strategy	Aviation, naval, and space industry-related supply chains	202	54,360,211
Livelihood and Military Readiness	Ascertain the critical materials needed by the country for livelihood and military readiness, keeping the industry chain of critical materials domestically, and improving domestic production capacity and technological autonomy.	244	79,545,942
Green Power and Renewable Energy	Engaging in related industries such as green energy and renewable energy manufacturing, electricity and gas supply, construction engineering, transportation and storage professionals, science and technology services, and related industries.	181	76,801,053

At the end of 2024, there were 615 investment cases in the sustainable development industry from Mega Group, with an investment amount of approximately NT$257.8 billion, accounting for approximately 19.88% of the total investment balance.

Sustainable Development Investment by Mega Group in 2024

Unit: Thousand NTD

Industry	Description	Item	Investment Balance at the End of the Year
Renewable Energy	Solar, wind, geothermal, hydroelectric, and ocean energy industries.	13	5,019,476
Energy Technology	Transmission, distribution and energy storage facilities to increase or regenerate electricity generation and its use.	8	835,564
Low Carbon Transportation	Electric, hydrogen and other alternative fossil fuel transportation, passenger and freight transportation system conversion and efficiency improvement, public transportation, and other transportation industries.	8	6,138,906
Water Resource Utilization	Water monitoring smart network and early warning system, water storage, water recycling treatment, flood control and water conservation, and other hydraulic infrastructures.	4	173,938
Sustainable Architecture	Green buildings, building energy-saving systems or products in the construction industry.	0	0
GHG Reduction	Energy efficiency, non-energy generated greenhouse gas reduction, clean production and other industries.	3	948,254
Circular Economy	Waste cleaning and recycling, pollution control and carbon sequestration.	10	983,588
Smart Information and Communication Technology	Fiber optic broadband, data center and smart grid information and communication technology.	0	0
Sustainable Agriculture, Forestry, Fishery, and Animal Husbandry	Sustainable and verifiable carbon reduction related agriculture, forestry, fishery and aquaculture measures.	0	0
Companies with Outstanding Sustainability Performances	MSCI AA-rated or above, selected for DJSI, ranked in the top 20% of corporate governance ratings, and meeting Taiwan's sustainability classification criteria.	436	196,235,833
Other activities that contribute to reducing carbon emissions, promoting circular economy, and enhancing ESG business or activities	Medical, education, sports and fitness, road construction, and other social work services.	133	47,478,967

Sustainability Bond

Mega Bank issued its first green bond totaling NT$1 billion in 2020, a NT$1.5 billion sustainability bond in 2022 and 2023, then issued social responsibility bonds totaling NT$1 billion and green bonds totaling NT$1.5 billion in 2024, with a focus on two areas: renewable energy and energy technology development, and the creation of employment opportunities and programs that can alleviate or avoid unemployment caused by socio-economic crises. Mega Group's issuance, investment and underwriting of sustainable development bonds in 2024 cost a total of NT$24.44 billion, with total financial benefits of NT$615 million.

Mega Bank Sustainable Development Project Fund Bond

	Green Bonds (GBP compliant bond)	Social Bonds (SBP compliant bond)	Sustainable Development Bonds (Bonds compliant with GBP, SBP, SBG)
Bond Abbreviation/ Code	P13 Mega Bank 2 (G11846), P14 Mega Bank 1 (G11849)	P13 Mega Bank 1 (G11845)	P11 Mega Bank 1 (G11839), P12 Mega Bank 1 (G11844)
Year	2024 and 2025	2024	2022 and 2023
Amount	2 at NT$1.5 billion each, totaling NT$ 3 billion	1 at NT$1 billion	2 at NT$1.5 billion each, totaling NT$ 3 billion
ESG Benefits	Assisted in the construction of the Changhua Offshore Wind Farms and Chiayi County Solar Energy and Fisheries Electricity Co-generation Project. The Chiayi County Solar Energy and Fisheries Electricity Co-generation Project is expected to generate 987.888 million kWh of electricity annually, which is estimated to reduce 488,017 metric tons of carbon emissions annually, based on the 2023 power emission coefficient of 0.494 kilograms of CO_2e/kWh announced by the Bureau of Energy, Ministry of Economic Affairs. Reduce US$36.1 thousand carbon emissions social cost.	Provided funds needed to purchase homes to individuals who met the Government Concessional Loan for Youth Housing policy offered by public banks, totaling approximately NT$1.066 billion, for 121 families to purchase homes.	1. Estimated to reduce carbon emissions by 975,687 metric tons. 2. Estimated 10,650 job opportunities created.

Note : The source of the social cost of carbon emissions is the report published by the U.S. Environmental Protection Agency in 2023, "Report on the Social Cost of Greenhouse Gases: Estimates Incorporating Recent Scientific Advances".

Fund Usage of Sustainable Development Bond by Mega Bank in 2024

Unit: 100 million NTD

Fund Usage Category	Performance of Measures of Benefits		Loan Amount
Renewable energy and energy technology development	Number of cases: 2	1. Total installed capacity of renewable energy equipment (MW): 420 2. Estimated total annual electricity generation from renewable energy projects (GWh): 987.888 3. Estimated annual total carbon reduction from renewable energy projects (tones CO_2e): 488,017	15
Affordable housing	Number of cases: 121	Estimated number of affordable housing units for households without self-use housing: 121	10

Sustainable Development Bonds Underwritten by Mega Securities in 2024

Bond Type	Item	
Green Bonds (GBP compliant bond)	Bond Name	TSMC (113-1, 113-2), Taipower (113-2, 113-6), Nanya Technology (113-1)
	Item	5 case
	Amount (Thousand NTD)	1,900,000
Sustainable Development Bonds (Bonds compliant with GBP, SBP, SBG)	Bond Name	E.Sun Bank (113-1)
	Item	1 case
	Amount (Thousand NTD)	200,000

Sustainable Development Bond Investment by Mega Group in 2024

Category	Item	Mega Bank	Mega Securities	Mega Bills	CKI	Total
Green Bonds (GBP compliant bond)	Item	63	10	15	2	90
	Amount (Thousand NTD)	20,075,380	2,570,206	5,906,648	140,000	28,692,234
Social Responsibility Bonds (SBP compliant bond)	Item	39	4	0	0	43
	Amount (Thousand NTD)	10,771,088	330,201	0	0	11,101,289
Sustainable Development Bonds (Bonds compliant with GBP, SBP, SBG)	Item	31	11	2	0	44
	Amount (Thousand NTD)	6,540,855	1,853,582	1,278,303	0	9,672,740
Sustainability-Linked Bonds (SLBP compliant bond)	Item	5	1	1	0	7
	Amount (Thousand NTD)	542,780	220,346	50000	0	813,126
The above sustainability bonds are sustainability bonds approved by the Taipei Exchange	Item	38	13	13	2	66
	Amount (Thousand NTD)	11,561,210	2,420,279	5,170,000	140,000	19,291,489

ESG Funds

Under the premise of meeting the expected market investment returns, Mega Group offers ESG-compliant fund products for private customers, focusing on ESG issues such as reducing carbon emissions, creating biodiversity, caring for employee welfare, mitigating social inequality, sound corporate governance and practicing honest management, and supporting companies that are committed to the above-mentioned ESG spirit.

Mega Group All ESG Funds in 2024

Fund Type	Unit	Mega Bank	Mega Securities	Mega Funds
ESG Funds (registered in the ESG Fund section)	Item	66	489	2
	Amount (100 million NTD)	59.94	1.54	110.11
ESG Funds (funds that comply with the EU's Sustainable Finance Regulation (SFDR))	Item	91.00	445	0
	Amount (100 million NTD)	174.38	1.42	0
Total assets under management for wealth management/investment (Assets Under Management, AUM)	Amount (100 million NTD)	4,314.73	151.33	1,035.93
ESG Fund Stock Share (= total ESG funds / total assets under management of wealth management investments) x 100%	Percentage (%)	4.10%	1.96%	10.63%

Note : ESG Fund Stock Share excludes double counting.

All ESG Funds Issued by Mega Funds in 2024

Name	Mega ESG Taiwan-US Sustainable Dual Profit Multi-Asset Fund
Inception Date	November 20, 2024
Fund Category	Multi-Asset
Investment Objective	To achieve the investment objective of Environmental, Social and Corporate Governance (ESG), the total amount invested in marketable securities that fulfill the ESG-related concepts must not be less than 70% of the fund's net asset value (inclusive).
Index Measurement Criteria	Marketable securities with ESG-related concepts must meet the following conditions: 1. Investment in domestic marketable securities: Based on the "Taiwan Sustainability Assessment" model, the assessment is conducted using four main dimensions: society (S), economy (E), environment (E) and disclosure (D). Targets that are subject to major event assessments and observations or are on the blacklist or in controversial industries are excluded, and targets that meet the ESG concepts are selected. 2. Investment in securities outside of Taiwan: Based on the ESG risk scores of Sustainalytics, an ESG research organization, ESG-compliant investments are selected by focusing on the impact of significant ESG risk issues on the company's management of ESG risks and excluding companies in controversial industries. 3. Investing in fund beneficiary certificate assets: Domestic and overseas funds and beneficiary certificates that mainly invest in stocks or bonds listed in 1. and 2. above, or whose fund names contain ESG or sustainability-related terms.
Investment Ratio Allocation	According to the investment policy of this fund, it is allocated through multiple assets such as domestic and foreign stocks, bonds and fund beneficiary certificates, and securities that meet ESG-related concepts are screened in accordance with the aforementioned investment strategies and methods. The total investment amount shall not be less than 70% (inclusive) of the net asset value of this fund.
Performance Results	This fund focuses on "Taiwan dividends, U.S. bond yields, and sustainable enterprises" as its three major investment cores. As of the end of 2024, the fund size was NT$3.96 billion, and the top 10 listed investment targets are all excellent companies with ESG ratings of A or above.

Sustainability-themed ETN

In response to the global ESG trend, Mega Securities issued the "Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN" to provide a top choice for investing in domestic climate change resilient semiconductor companies. It uses companies with excellent ESG ratings as constituent stocks to meet the market's strong demand for sustainable investment, allowing low-amount ETN investments to also exert a positive influence.

ESG ETNs Issued by Mega Securities and Still in Existence in 2024

Name	Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN
Date of Incorporation	December 25, 2023
Investment Objectives and Metrics	The Mega TPEx FactSet Semiconductor Climate Net Zero Elite Total Return Index ETN is based on the Factset 200 Index constituent stocks. It uses T-Risk calculated by Entelligen's climate model to screen or adjust the weights of the constituent stocks to select ten constituent stocks to reflect the resilience of the constituent companies in response to climate change.
Performance Results	The full-year return of the securities invested in this index in 2024 was 10.24%, which was approximately equivalent to the Taipei Exchange Index return of 9.33%. However, the highest return during 2024 reached 27%, which was better than the Taipei Exchange Index's 20.6%. In addition to showing that the Semiconductor Climate Net Zero Elite Total Return Index ETN is sufficiently representative of semiconductor stocks in the Taipei Exchange market, and that the semiconductor companies that have the ability to operate resiliently to the changes in climate environment are more worthy of the investing public's attention.

5.1.4 Sustainable Insurance

CKI voluntarily complies with the "Principles for Sustainable Insurance (PSI)" and focuses on renewable energy and energy technology, low-carbon transportation, pollution prevention and control, and financial inclusion. The company is committed to providing business owners and the public with more protection through sustainable insurance products. In 2024, the total number of sustainable insurance products underwritten by CKI was 1,936, with premium income of approximately NT$284,196,000, accounting for approximately 2.58% of the total insured amount. In addition, Mega Bank has also increased the exposure of other sustainable financial products, and is an agent for the sales of sustainable insurance products, such as IPO-linked ESG-linked investment policies, small amount whole life insurance, and spillover policies. In 2024, a total of 1,490 sustainable insurance policies were sold, with a total amount of NT$2,002,269,000。

All Sustainable Insurance Products by CKI in 2024

Unit: Thousand NTD

Category	Item Type	Description	Number of Cases	Insurance Premium
Renewable Energy and Green Energy Technology	Offshore Wind Power Industry	Provide wind farm developers with insurance policies to transfer risks during construction, which is favorable to the development of green energy.	3	206,792
	Solar Energy Industry	Provide insurance for installation works and comprehensive insurance for electronic equipment, which is favorable to the development of green energy.	137	18,734
	Additional Clause for Household Green Energy Upgrade	Provide home green energy insurance, which is conducive to energy saving and carbon reduction.	263	47
Low Carbon Transportation	Passenger Transportation Liability Insurance for MRT Systems	Providing passenger transportation liability insurance for MRT systems to encourage citizens to take public transportation to reduce carbon emissions.	6	2,236
	Green Vehicle Additional Clause for Motor Insurance	Green Vehicle Additional Clause for Motor Insurance provides insurance coverage for green vehicles (e.g. electric vehicles, hybrid vehicles), and with electronic policy to reduce paper waste, which helps to save energy and reduce carbon emission.	40	1,223
Pollution Control	Pollution Liability Business Insurance	Provide necessary cleanup claims for unexpected pollution incidents during production and transportation to reduce negative environmental impacts.	1	37,669
Category	**Item Type**	**Description**	**Number of Cases/Persons**	**Insurance Premium**
Financial Inclusion	Microinsurance	To take care of economically disadvantaged groups, CKI offers microinsurance products that provide basic insurance coverage at low premiums for economically disadvantaged groups, thereby helping to fill the gaps in government social insurance or social relief mechanisms. In 2024, 13,529 of people were reached.	460 cases	1,822
	Agricultural Insurance	Provide parametric persimmon farming insurance to transfer agricultural losses caused by climate change and increase protection for farmers. The insurance calculates claims based on typhoon wind speed and accumulated precipitation and simplifies the claims procedure, so that in the event of disaster-induced damage, farmers can quickly get their claim to facilitate their subsequent environmental restoration.	34 cases	1,191
	Group Medical Insurance (applicable for foreign workers, caretakers, and fishers)	To take care of foreign workers, caretakers, and fishers, CKI provides basic group protection that covers basic medical expenses incurred to disadvantaged foreign workers when they are hospitalized for injuries or illnesses. With this service, labor and employer relations can be stabilized for greater social stability. In 2024, 282,929 of people were reached.	282,929 people were insured	9,746
	Personal Injury Insurance for Elderly People	CKI provides a comprehensive personal injury insurance plan, with emphasis placed on the needs of elderly people with moderate to severe disabilities and those who require assistive devices or nursing care. This plan strengthens the financial support for middle-aged and senior citizens who are at risk of accidental disability.	992 cases	4,736

5.1.5 Diversified Sustainable Finance Products

ESG Credit Card

In response to the global trend of sustainability and net-zero, all credit cards issued by the Group have passed third-party verification including ISO 14067 Carbon Footprint and ISO 14046 Water Footprint certifications, and received the Carbon Footprint Label as reviewed and approved by the Environmental Protection Administration. Each of our card and magnetic stripe card generate approximately 800g and 380g of product carbon footprint. Through the purchase of carbon rights and passing the "Carbon Neutral (PAS 2060)" certification, each credit card is upgraded to a "Carbon Neutral Credit Card". As of the end of 2024, Mega Bank has issued more than 1.335 million carbon neutral credit cards, with a target achievement rate of 122.5%, which is estimated to reduce 143 tons of CO_2e emissions, equivalent to the amount that 12,000 trees can absorb annually.

Name of Credit Card	Issuance Date	Credit Card Features	Environmental/ Social Benefits	Number of New Cards Issued in 2024	Cumulative Number of Issued Cards by the End of 2024
 e-Happy Titanium Card/ MasterCard Debit Card	July, 2017	Environmental credit card, ecological restoration (Priceless Planet Coalition Global Tree Planting Project)	A total of 7,500 trees have been planted since the issuance of PETG cards in May 2022	14,668	296,527
 Gogoro Co-branded Card	September, 2018	Green Credit Cards, Carbon Neutral Credit Cards	The amount of electric scooter batteries donated so far is approximately NT$118 million	1,570	123,790
 e-Happy EasyCard Titanium Card/EasyCard Credit Card	June 2020	Environmental credit card, ecological restoration (Taiwan Black Bear Conservation Association, Wild One Taiwan, Society of Wilderness)	Cumulative donations since its issuance exceed NT$2.3 million	6,790	69,922
 Hiyes International Co-branded Card	March, 2021	Carbon neutral credit cards, donations to disadvantaged groups (Noordhoff Craniofacial Foundation)	Cumulative donations since its issuance exceed NT$3.9 million	4,537	29,216

Sustainable Deposits

In response to the ESG demand from our existing corporate clients, Mega Bank has referred to the Green Bond Principles (GBP) set by the International Capital Market Association (ICMA) and the core goals of the United Nations Sustainable Development Goals (SDGs) to collect funds through sustainable deposits and specifically use them to provide loans for green and socially beneficial projects that meet the regulations and conditions, or for refinancing these projects.

Mega Bank 2024 Green/Sustainable Deposits

Unit: Thousand NTD

Fund Usage	Environmental/Social Benefits	Assurance Organization	Number of Companies	Scope
Investment in land-based wind power plants, solar power generation equipment, water-based solar power plants, and offshore wind farms.	• Solar power generation reduced 41,774.82 tons of CO_2e emissions. • Wind power generation reduced 401,006.66 tons of CO_2e emissions.	Deloitte & Touche, Taiwan	53	2,328,000

Note : For more details, please refer to Mega Bank's website (https://www.megabank.com.tw/corporate/cash-management/sustainable_time_deposit/announcement).

5.2 Financial Inclusion

In recent years, the Financial Supervisory Commission (FSC) has actively promoted financial inclusion. Both its policy plans and implementation or guidance on the development direction of financial markets are based on the international initiatives of the World Bank, G20, and APEC. To fulfill individual and corporate demands, applicable and affordable financial products and services (including transactions, payments, savings, loans, and insurance) are responsibly and sustainably provided to increase the inclusiveness of the economy, improve wealth gaps and standard of living, and promote social equality and public welfare. For financial inclusion results, please refer to 9.1.2 Social Metric Data.

Financial Inclusion Commitment and Management

In response to Taiwan's policy direction of "promoting financial inclusion" and the United Nations' initiative, Mega Group continues to develop and optimize financial products/services models suitable for target groups through market research, target group needs analysis, and feedback. We strive to meet the needs of financial products/services for different groups (including those with disabilities, the elderly, and other financially disadvantaged groups). At the same time, we actively cooperate with government agencies, social welfare organizations and other industries to expand the types and scope of inclusive financial services and provide assistance beyond financial services to specific groups. These include organizing seminars to enhance the public's knowledge on the care and planning for people with disabilities and the elderly, etc. All of these endeavors help to achieve the goals of inclusive economic growth, improvement of the disparity between the rich and poor and between urban and rural areas as well as the standard of living, and the promotion of social fairness and social welfare in a responsible and sustainable manner.

To protect the rights and financial integrity of our target customers, including the elderly, youth, women, the disadvantaged, and farmers, Mega Bank follow the 5P principles of credit when assessing the creditworthiness of borrowers in order to prevent client's over-indebtedness. We also organize training programs regularly to strengthen our staff's Know Your Customer (KYC). We recommend suitable financial products/services for our customers in an easy-to-understand manner, and avoid inappropriate solicitation of business or marketing practices. We also provide diversified and convenient channels for complaints and opinions to facilitate immediate response to customer needs and provide more friendly financial products/services.

Every year, the Board of Directors of the Mega Group approves the Financial Inclusion promotion plan and specific goals, which are tracked and managed by the Sustainable Development Committee on a quarterly basis to demonstrate the Group's determination to implement financial inclusion.

5.2.1 Inclusive Financing Products

Mega Bank Inclusive Financing Services

Target	Inclusive Financing Services	Service Description	Results of Promotion
Senior Citizens	Reverse Mortgages	• In response to aging society, Mega Bank launched the reverse mortgage to help the elderly vitalize their own real estate and ensure their living needs after retirement, as to provide them with funding necessary for life after retirement.	• In 2024, the reverse mortgage promotion reached 3,296 people, and the newly approved amount for the year increased by 58.56% compared with that of 2023. As of the end of 2024, the cumulative number of loan recipients reached 149, and the cumulative approved loan limits reached NT$1.362 billion.
	Retirement Trusts	• To prepare for the advent of an aging society, Mega Bank has continued to promote the Trust 2.0 “Promotion Plan for Full Functions of Trust Services”, in addition to opportunities to form alliances with other industries to improve the added-value service of a trust. Through this, we hope to develop a retirement trust that not only provides trust funds for specific uses but also includes all living needs (food, clothing, housing, transportation), and aging-in-place services through cross-sector alliance.	• In 2024, the promotion of the retirement trust reached more than 7,039 people, 7,233 cumulative beneficiaries, and the accumulated assets reached NT$21.11 billion, an increase of 46.76% over 2023.
Youth Groups	Government Concessional Loan for Youth Housing	• In December 2010, the Ministry of Finance launched the Government Concessional Loan for Youth Housing to provide effective financial support for homeowners and breadwinners. Starting from August 2023, in order to further alleviate the public's burden of purchasing a home, the Ministry of Finance relaxed the conditions of the loan, loan amount, term, and grace period, and provided an interest subsidy of 0.375% from March 2024 onwards. In addition to offering this loan in line with the government policy, Mega Bank also reduced the interest rate by 0.125% from March 2022 to the end of July 2026.	• In 2024, the Government Concessional Loan for Youth Housing has been granted to 23,291 applicants, with 31,710 cumulative loan accounts, and a cumulative approved loan amount of NT$179.092 billion, an increase of 40.28% compared to 2023.
	Young Entrepreneur Start-up Loans	• Mega Bank cooperated with the Small and Medium Enterprise Administration of the Ministry of Economic Affairs launched the "Young Entrepreneur Start-up Loans" program to create a startup-friendly environment for young adults and boost economic development.	• The promotion of the Young Entrepreneur Start-up Loans reached more than 12,899 people in 2024, with 3,108 cumulative loan accounts, while the cumulative approved loan amount was NT$3.281 billion, an increase of 11.11% from 2023.
Women	Gift of Pregnancy Loans	• In response to the Government's proactive encouragement of the national fertility rate, for qualified families, those who apply for the loan online can enjoy Mega Bank's preferential interest rates for the first six installments and a discount on the registration fee.	• In 2024, the Gift of Pregnancy Loan reached more than 6,020 applicants, with 452 beneficiaries, and a cumulative approved loan amount of NT$275 million.

Target	Inclusive Financing Services	Service Description	Results of Promotion
SMEs	SMEs Deposits	• According to the "2022 SME White Paper" published by the Ministry of Economic Affairs, there were more than 1.67 million SMEs in Taiwan, accounting for more than 98.88% of all enterprises. The number of employed people is 9.167 million, accounting for nearly 80% of the workforce in Taiwan. It indicates that Taiwan's SMEs are not only the mainstay of a stable economy, but also an important cornerstone of job creation.	• In 2024, Mega Bank had 18,029 SME lending accounts with a balance of NT$708.4 billion, while the number of SME deposits reached 143,104, with total deposits amounting to NT$990.3 billion.
	International Micro-loans	• Mega Bank is committed to achieving financial inclusion and eradicating poverty. This commitment is realized by collaborating with foreign microfinance institutions to offer micro loan services, thereby indirectly supporting local SMEs and customers with a lower socioeconomic status.	• Eight microfinance loan applications or approximately NT$3.188 billion were approved in 2024, and the credit outstanding amounted to NT$1.758 billion.
Local Communities	Urban Renewal and the Reconstruction of Dangerous and Old Buildings	• To effectively promote urban renewal projects, Mega Group offers all-inclusive, one-stop services by integrating its banking, securities, and asset management resources. These services include financing solutions for urban renewals and reconstructions, switching existing mortgage before renewal, separate loans after reconstruction, trust management, construction management, construction insurance, and syndicated loans.	• In 2024, 60 loan applications were granted to urban renewal projects, providing an approved loan amount of NT$66.066 billion.
Middle-aged and elderly people and those living in remote areas	Loans for middle-aged and elderly people	• To achieve financial inclusion, we provide preferential credit loans for middle-aged and elderly groups to help customers pursue their dreams regardless of age restrictions.	• Newly launched at the end of 2024.
	Rural service loan	• To achieve sustainable finance and fulfill corporate social responsibility, we provide credit loan discounts to workers in remote rural and offshore areas, to support the financial resources of workers in these areas through practical actions, narrowing the gap between urban and rural areas.	

Small Business and Community Development Loans

In 2024, Mega Bank's small business and community development lending accounts totaled 18,086 cases, with 13,019 loans and a year-end loan balance of NT$287.1 billion, a 10.34% increase from the previous year.

Types of Loans Offered by Mega Bank in 2024(Domestic, not including OBUs)

Unit:NT$100 million

Category	Total Number of Loans	Total Number of Borrowers	Loans Outstanding at the End of the Year	Percentage (%)
Personal Loans (Consumer Banking)	119,833	94,724	5,972	33.54%
Loans to Large Enterprises(Note 1)	2,225	1,229	4,341	24.38%
Loans for SMEs and Startups	27,485	18,029	7,084	39.79%
Small Business and Community Development Loans (Note 2)	**18,086**	**13,019**	**2,871**	**16.13%**
Loans to Micro-enterprises (Note 3)	**7,620**	**5,132**	**1,430**	**8.03%**
Others	275	174	406	2.28%
Total	149,818	114,156	17,803	100%

Note 1: “Loans to Large Enterprises” refers to private enterprises excluding SMEs and startups.

Note 2: “Small business and community development loans” are available for those who meet one of the following criteria: (1) The enterprise has been established for less than five years, (2) employs fewer than 20 employees, (3) has a capital of less than NT$5 million, and (4) has an annual revenue of less than NT$10 million.

Note 3: “Loans to Micro-enterprises” refers to private enterprises with less than 10 employees.

Note 4: Other types are public enterprises and government agencies, etc.

Note 5: In 2024, Mega Bank's small business and community development lending accounts totaled 254 loans and loans outstanding amount of NT$717 million.

★ Case Study

Mega Bank's “Kaohsiung Supports Youth Entrepreneurship and Mega Bank Provides Great Interests” Micro-Enterprise Loan Provides the Youth with Funding to Start Their Own Businesses



To solve the problem of young entrepreneurs having difficulty in obtaining funding from traditional banks, Mega Bank cooperates with the Kaohsiung City Government's Youth Bureau to provide loans to young entrepreneurs. It breaks away from bank’ previous audit method of focusing on revenue and financial data, and instead focuses on the industrial development of new businesses, corporate innovation models and competitiveness, and core teams, emphasizing cash flow, use of funds and repayment plans to inject fresh capital into new businesses.

Offers	Impact Assessment	
• Kaohsiung City Government Youth Bureau provides loan applicants with up to 2.5% interest subsidy	• The project created 608 jobs from the launch up to the end of 2024 (Note 1)	• Reduce unemployment compensation social cost by nearly NT$10,430,000 (Note 2)

Note 1: The calculation method for promoting employment opportunities is the number of project loans multiplied by the average number of employees in the enterprise.

Note 2: The reduction in unemployment compensation social cost is calculated as the number of jobs created x the unemployment compensation received for each unemployed person.

SME Deposits

In 2024, Mega Bank's SME Deposits totaled 235,234 cases, with a total of 143,104 accounts and a year-end amount of NT$990.3 billion, a 34.516% increase from the previous year.

Types of Deposits Offered by Mega Bank in 2024 (Domestic Branches)

Unit: NT$100 million

Category	Total Number of Deposit Cases	Total Number of Deposit Accounts	Deposit Balance at the End of the Year	Percentage (%)
Personal Deposits	5,719,304	4,044,863	12,474	43.47%
SME Deposits	235,234	143,104	9,903	34.51%
Other Deposits	55,562	37,160	6,318	22.02%
Total	6,010,100	4,225,127	28,695	100%

5.2.2 Inclusive Financing Services

Accessible Services





Mega Bank provides a variety of convenient financial services for people with disabilities through a designated accessible contact window, accessible facilities and equipment (including accessible parking spaces, elevators and ramps) and sets up a service bell and a guide at the entrance for any necessary assistance. Mega Bank website (Level AA), Mega Securities image website (Level A), and CKI image website - Friendly Financial Services section (Level A) have been awarded Conformance Level A+ Accessible Web Accessibility Service by the Ministry of Digital Affairs, Executive Yuan, improving accessibility for the visually impaired and the hearing impaired.

In 2024, Mega Bank installed a total of 446 accessible ATMs and continues to be committed to improving friendly financial measures. It has recently upgraded its automated equipment services and pioneered the installation of a second auxiliary screen on the ATM body to extend the knee space for wheelchair users, improving the limitations of traditional ATM equipment on the wheelchair user experience, allowing disabled customers to complete various transactions more conveniently and easily by themselves.

Bilingual Branches

In response to the Government's "Blueprint for Developing Taiwan into a Bilingual Nation by 2030", Mega Bank has encouraged the establishment of bilingual branches, improving employees' English proficiency, and creating a friendly environment for accessing bilingual financial services. In 2020, Mega Bank established a pilot branch, the Lanya Branch in Tianmu. It provides a wide range of services such as credit cards, deposits, foreign exchange and remittance, digital banking, and wealth management, as well as multiple bilingual documents to assist foreigners with various banking errands. Our bilingual branches have been well-received by customers. Online bilingual services are also provided through our website, Internet Banking, ATM, and mobile app. Additional information on shops and MRT routes around each bilingual branch is made available so that foreigners in Taiwan are able to enjoy a banking-friendly environment.

Mega Bank's original goal of completing 108 branches in Taiwan to become bilingual branches by 2028 was completed ahead of schedule in 2024, providing more complete bilingual financial services for foreigners. Mega Securities has 28 bilingual business locations, accounting for 82.35% of all locations in the six major cities. In an effort to strengthen its services to new immigrant customers, and to provide them with full enjoyment of basic rights, equality and reasonable convenience in financial services, CKI incorporated digital tools and worked with the New Immigrant Family Development Association to launch a multilingual video translation service. Language translation services are provided for Vietnamese, Indonesian, Thai, Malay, Filipino, Burmese, Japanese, English, and Korean. This enables new immigrant customers to communicate insurance information in their native language and enjoy a friendly and accessible financial service environment without any language barrier.

Financial Services for the Visually and Hearing Impaired

To enhance the quality of services for hearing-impaired customers, Mega Bank and CKI have partnered with the Taiwanese Association of Sign Language Interpreters to provide real-time video interpretation to effectively explain products and services to the hearing-impaired. If the video interpretation cannot meet the needs of the customer, the customer can also book sign language interpretation service on-site to reduce the error of understanding between the two parties, in line with the Mega Group's spirit of treating customers fairly.

Mega Bank has installed ATMs with voice functions for the visually impaired in specific local branches, airports, hospitals and other public locations. By 2024, 166 ATMs with voice functions for the visually impaired have been installed, accounting for 29.5% of all ATMs (563 ATMs). By embedding proximity sensors in the ATMs, visually impaired customers can use the accessible ATMs through sound recognition, reducing the chance of errors during operation. In the future, Mega Bank will continue to add more ATMs to enhance the convenience and inclusiveness of financial services to truly implement accessible and friendly financial services. Mega Bank and CKI also provide the chatbots – “Hsiao Meh” and “Mega Hsiao Le”, text-based customer service. The chatbots can provide AI voice-to-text chat service or transfer to customer service agent, as well as smart customer service voice playback functions, allowing hearing-impaired and visually impaired customers to use convenient financial-friendly services.

Mega Bank partnered with the Taiwanese Association of Sign Language Interpreters to provide real-time video interpretation service



Retirement Planning Service

The aging population has become a global trend, and people must plan for financial resources for at least 15 to 20 years, if not more, after retirement. “Mega Bank Customized Retirement Planning Service” - mobile wealth management advisor system on an iPad is used to customize a retirement plan for customers based on how much assets and liabilities they have, their current income and expenditures, and their financial goals and needs after retirement. The service provides analysis in five dimensions "Capital, Insurance, Security, Lifestyle, and Investment," and produces a customized retirement plan in the form of a graphic, intuitively design report that contains explanations in plain language. With detailed explanations by a professional financial advisor, this service helps customers to identify financial gaps. In 2024, Mega Bank provided customized retirement plans to 4,173 people, an increase of 26% over the previous year, helping them to optimize asset allocation, take effective financial management actions and start taking steps to prepare for retirement.

Mega Bank Customized Retirement Planning Service





Elderly and Dementia Friendly Financial Services

Mega Bank takes the lead in the trust industry in creating a dementia-friendly trust service space for elderly customers and those with dementia. In consideration of the visual experience of people suffering from dementia, there is soft lighting and clear signage in a semi-open space to create a stable and warm financial environment, helping to reduce the perceived stress related to financial services. It is combined with the use of technology to achieve the goal of ongoing care for customers' physiological and cognitive functions.

Mega Bank has planned friendly service spaces in the domestic branches so that when the elderly, people with disabilities, customers with dementia/or suspected to have dementia cannot conveniently do business at the counter in the branches, they can be guided to the friendly service space and assisted by friendly service personnel to do carry out the various businesses. A quality dementia-friendly financial environment has also been created at the Lanya Branch. In addition to having accessible service counters, service bells, and friendly staff, the Company also visited dementia day-care centers and dementia medical specialists to provide advice on setting up a "Dementia Friendly Service Area". This space is suitable for customers with dementia, the elderly, or customers with disabilities to carry out their business and enjoy financial services. The service area is equipped with a discussion room/meditation room, interactive training machines, display cabinet, a touch wall and finger ladder. If a branch employee encounters a customer who is suspected to be suffering from dementia, the employee can guide the customer to the service area for discussion or financial services. This will allow customers with different needs to come to the bank with peace of mind, feel at ease, and be treated like a guest, thus realizing the true spirit of financial inclusion.

At the end of 2024, 108 branches of Mega Bank in Taipei City, New Taipei City, Taoyuan City, Kaohsiung City, Hsinchu City and Taichung City had actively applied to become a "Dementia Friendly Organization", and more than 3,201 trained branch staff had become "Dementia Friendly Angels". This implements the service know-how of dementia care "STE2P" (Smile, Thanks, Eye contact, Embracing the moment, Patience) In the future, the program will be gradually extended to all branches in Taiwan to help establish a dementia-friendly living environment through concrete action, allowing us to provide appropriate assistance to customers with are suspected of suffering from dementia or their accompanying family members. Together, we will create a friendly environment for those with dementia. In 2024, Mega Bank won the "Senior-Friendly Award" at the 2nd "China Times Financial Services Awards".

Other Non-Financial Support Projects

Financial or Digital Literacy Training (financial inclusion seminars)

Mega Group's financial inclusion seminars cover a variety of topics, including those related to senior citizens and small businesses and communities, to enhance the financial literacy of the public. Through the introduction of financial products and knowledge suitable for relevant groups, including product features, advantages, and applications, help vulnerable groups such as the elderly, small businesses, and communities to achieve inclusive finance.

Service Target	Seminar Topic	Number of On-site Participants	Total Seminar Hours (Number of Participants X Number of Seminar Hours)
Older adults People with Disabilities	Retirement Trusts	2,130	2,234
Small Business and Community Development	Small Business and Community Development Loans	154	306

Note : The above seminars are also available as online videos for public viewing, with a cumulative total of over 4,973 viewings by the end of 2024.

★ Case Study

Mega Bank Participated in the "Healthy Aging Tech Show" and Joined Hands with Domestic and Overseas Cross-Industry Alliances to Build a Healthy Aging Lifestyle with Trusts



Committed to promoting Trust 2.0 friendly finance, Mega Bank participated in the first "Healthy Aging Tech Show" from August 2 to 4, 2024 (three days in total), which was organized by the Institute for Biotechnology and Medicine Industry, Anke Care, and relevant government agencies. The three major themes of this show are health care, smart services and happy living. Mega Bank exhibited the concept of "Castle of the Elderly" in the FinTech for the elderly exhibition area, which mainly introduced how retirement trust can build financial resilience for the elderly in order to provide people with a peace of mind in their financial plans. Domestic and overseas cross-industry alliance partners were invited to jointly exhibit the services related to aging health. It is hoped that through the alliance of more than 200 different industry partners, we can build a garden castle for healthy aging.

★ Case Study

Mega Bank Implements Financial Inclusion and Partners with Taiwan Academy of Banking and Finance to Promote the Finance for Common Good Project



Mega Bank has joined hands with the Taiwan Academy of Banking and Finance to promote the "CSR Finance for Common Good Project". The launching ceremony was held in the atrium of the Kaohsiung City Government on September 13, 2024. Witnessed by guests including the Kaohsiung City Education Bureau and the Taiwan Academy of Banking and Finance, Mega Bank announced that the "Teacher CoCo" financial volunteer team composed of employees will go to 42 elementary schools in 19 administrative districts of Kaohsiung City to promote financial education for public welfare and fulfill Mega Bank's commitment to social responsibility. A total of 135 sessions were held in 2024.

★ Case Study

Mega Securities Joins Hands with Executive Yuan's Southern Taiwan Joint Services Center to Protect Senior Citizens from Fraud



Mega Securities, together with its subsidiaries Mega Futures and Mega International Investment, launched the "Mega Education Public Welfare Train for Seniors" lecture series to proactively provide care to the middle-aged and elderly population. On September 10, 2024, it was co-organized with the Southern Taiwan Joint Services Center, Executive Yuan, with the theme of "Healthy Financial Management - Good Stocks, Good Bonds, and No Hassle" to share correct investment concepts. Section Chief Shu-Li Lin of the Criminal Investigation Bureau of the National Police Agency was invited to promote fraud prevention, in order to help the public manage their finances wisely, protect their assets, and enhance the public's ability to identify fraud.

Incentives to Establish Saving Accounts

To reduce the financial burden on people with disabilities and improve the convenience of financial services, Mega Bank provides three free inter-bank ATM withdrawal services per month for people with disabilities. In 2024, the total number of accounts reached 378.

Technical Assistance

Since it is more difficult for SMEs and micro-enterprises to obtain bank financing than large enterprises, Mega Bank and the National Innovation and Entrepreneurship Association ,R.O.C. jointly held seminars to provide guidance on strengthening financial planning for SMEs, assisting enterprises in estimating working capital needs, calculating break-even points, preparing financing briefs, and matchmaking activities. A total of 2 seminars were held in 2024, with a total of 25 SMEs/micro enterprises participating.



6 Customer Commitment

6.1 Customer Relationship
6.2 Information Security
6.3 Digital Innovation

- Over 51,000 employees have completed training on Treating Customers Fairly, totaling nearly 70,000 hours of training
- Mega Bank and CKI have respectively completed the introduction of the BS 10012 Personal Information Management System and ISO 27701 Privacy Information Management System and third-party verification renewal
- Cumulative total of 178 invention patents, 880 utility model patents, 2 design patents, ranking first in the industry with a total of 1,060 patents

Material Topics of GRI Standards

GRI 417 Marketing and Labeling
GRI 418 Customer Privacy

Corresponding Material Topics

Information Security, Customer Relationship, Digital Innovation

Targeted Stakeholders

All Stakeholders

6.1 Customer Relationship

Mega Group upholds the business philosophy of professional finance and ethical service. In accordance with the consumer protection provisions of the "Financial Consumer Protection Act", Mega Group has formulated the Group's "Guidelines for Treating Customers Fairly Principle and Financial Consumer Protection". It requires each subsidiary to formulate fair customer service policies, strategies, and implementation plans under the supervision of the Board of Directors. With the Fair Customer Treatment Policy as the core of the company culture, we proactively disclose and protect the rights and interests of our customers. We also conduct customer satisfaction surveys every year to review and improve customer experience through the results of the surveys, as to enhance customers' confidence in Mega Group and to improve customer relationships.

6.1.1 Fair Customer Treatment

Policies and Operations

Mega Group adheres to the business philosophy of professional financial and ethical services, as well as a corporate culture in which customers are treated fairly. In accordance with Chapter 2 of the "Financial Consumer Protection Act" and the regulations of the "Principles for Fair Treatment of Customers in the Financial Services Industry", the Group has formulated the "Mega Group Fair Customer Treatment Policy and Key Points of Financial Consumer Protection". The subsidiaries of the Group have developed policies, strategies, and implementation plans relevant to the "Fair Customer Treatment Principles", which are to be supervised and managed by the Board of Directors. The objective is to improve employees' legal knowledge and compliance, so that financial consumers will have more confidence and trust in our ability to protect the interests of our customers. Furthermore, implement the principles of fairness and reasonableness, equality and mutual benefit, and integrity.

Mega Bank, Mega Securities, Mega Bills, and CKI voluntarily disclose and protect the interests and rights of their customers by setting up a "Fair Customer Treatment Principles" or "Financial Consumer Protection" sections on their external websites. In addition, CKI has set up a "Friendly Financial Services" section to voluntarily provide friendly measures (with respect to the environment, products, services, communication, and information) for people with physical and mental disabilities.

Company Name	Related Policy	Operational Status	Key Achievements in 2024
Mega Bank	The "Fair Customer Treatment Principles Policy", "Guidelines for Strategy of Fair Customer Treatment Principles and Consumer Protection", and "Consumer Complaints and Customer Referral Case Management Guidelines" have been formulated. In 2022, the "Policy on Caring for Elderly Customers" was added, with emphasis on the protection of consumer rights of elderly customers.	Mega Bank has a dedicated management unit, and the "Care and Fair Customer Treatment Committee" composed of various business management units convenes quarterly meetings for discussion with emphasis on mechanisms for the handling of significant complaints and continuous service improvement. The meeting minutes are submitted to the Board of Directors. To enhance the level of the committee, the head of the committee and the directors with experience in customer complaint handling attend meetings and participate in the training of branch supervisors on customer complaints. Under the leadership of the chairman, Mega Bank became the first financial provider to suspend advertising on non-real-name websites and social media platforms, and called on peers to take action together. To help employees understand the importance of considering the customer's perspective, Mega Bank has set up routine education and training hours that exceed the statutory hours, and added "Fair Customer Treatment Performance Management Indicators", which are linked to the annual performance evaluation of business management units and the "Bank-wide Implementation Achievement Signal". It has also passed the ISO 10002 Customer Complaint Management certification. In 2024, a new "Customer Complaint and Review Case Handling Working Group" was established and the customer complaint handling level was upgraded to continuously improve customer complaint handling capabilities and efficiency, and realize the spirit of fair customer treatment through practical actions. To improve service quality and customer experience, Mega Bank conducts quarterly internal reviews of major customer complaints and proposes improvement measures through the "Care and Fair Customer Treatment Committee". We also report to the Board of Directors on a quarterly basis to keep the Board abreast of customers' feedback, thereby complying with the Principles for Fair Treatment of Customers. At the same time, the "Consumer Complaints and Customer Referral Case Management Guidelines" has been formulated to clearly stipulate the evaluation management of handling consumer complaints and customer feedback cases. The results are linked to the unit's business performance evaluation, then calculated together with the personal performance appraisals to calculate personal performance bonuses for employees to reduce the number of financial consumer protection disputes. Starting from 2023, the performance evaluation (KPI) of the relevant business departments of the headquarters added a new "fair customer treatment evaluation situation" indicator, with an evaluation weight of 3%, to effectively promote policies related to the Principles for Fair Treatment of Customers and implement consumer protection actions.	• Selected as the top 50% in the FSC's Treating Customers Fairly Principle (TCFP) Evaluation • Won the "Best Product Category" of the 21st "National Brand Yushan Award" for "Senior-Friendly Service Area" • Selected as "Excellent Financial Institution (Public Bank Category)" in the "Financial Friendly Service Survey" by Promise Corporate Management Ratings • Won the "Best Fair Customer Service Award" and "Best Senior-Friendly Award" in the 2024 Excellence Magazine's Best Fair Customer Treatment Award • Won the Senior-Friendly Award at the China Times Financial Services Awards • Recognized as a CNBC Best Banks Asia-Pacific

Company Name	Related Policy	Operational Status	Key Achievements in 2024
Mega Securities	The "Policy and Strategy of Fair Customer Treatment" has been established.	Mega Securities has established a "Fair Customer Treatment Promotion Committee" under the Board of Directors, with the President as the Chairman and heads of relevant departments as committee members. The committee convenes at least once a quarter to track and review the implementation of the annual plan, customer complaints and review cases, the annual Principles for Fair Treatment of Customers policy, and self-evaluation results. The aforementioned proposals and committee meeting minutes are reported to the Board of Directors.	• Selected as one of the Top 25% Large Comprehensive Securities Rankings in the FSC's Treating Customers Fairly Principle (TCFP) Evaluation • Won the "Best Popular Brand Category" of the 21st "National Brand Yushan Award": Fair Customer Treatment • Won the "Best Salesperson Team Award" at the Business Today's 18th Wealth Management Bank and Securities Evaluation • Received the "Best Service Quality Award" in the 2024 Excellence Securities Rating
CKI	The "Policy of Treating Customers Fairly", the "Implementation Strategy for Treating Customers Fairly", and the "Guidelines for Handling Consumer Disputes" have been established.	To improve the organizational operation and management level, CKI reorganized the original "Principles for Fair Treatment of Customers Working Group" into the "Principles for Fair Treatment of Customers Committee", with the President as the convener and the Legal Affairs and Compliance Office as the meeting unit. The committee is a functional committee under the Board of Directors, and the Board directly supervises the promotion of the Principles for Fair Treatment of Customers to implement financial consumer protection. We strengthened the Group's Principles for Fair Treatment of Customers in handling customer complaints, revised the Guidelines for Handling Consumer Disputes, and upgraded the chairperson of the Consumer Dispute Committee to the level of president. We also added three new consumer dispute case escalation reporting mechanisms (involving insurance fraud, complaints involving a sudden increase in the number of similar cases in a short period of time, or cases assessed to be important or high-risk), as well as analyzed complaint patterns, and held complaint case seminars.	• Won the Commercial Times' "Excellence Award -Digital Service Award" for the "Chatbot – Mega Hsiao Le"
Mega Bills	The "Policy of Fair Customer Treatment and Financial Consumer Protection" and the "Strategy of Fair Customer Treatment" have been established.	Mega Bills invites lecturers every year to host training programs. In accordance with the 10 Principles of the "Important Notice of the Principle for Financial Service Industries to Treat Clients Fairly" added on by the FSC in 2023, Mega Bills periodically reviews internal regulations and agreements with customers, and reports the annual implementation status to the Board of Directors to improve the implementation of fair customer service.	• Won the "Best Bills Finance Award" at the 12th Outstanding Financial Business Elite Awards

Training on Treating Customers Fairly

To strengthen the financial personnel's professional knowledge on treating customers fairly, each year, the subsidiaries of Mega Group organize training on treating customers fairly, and offer physical and online courses at the same time. The physical courses are recorded and uploaded on the internal digital learning platform to provide employees with multiple channels and flexible learning methods to implement employee education and training, strengthen the knowledge of fair treatment of customers, and improve customer relations and service quality. The 2024 fair customer treatment-related education and training courses include "Fair Customer Treatment Principles and Financial Consumer Protection", "Customer Complaint Handling Skills, Mentality and Case Sharing", "Introduction to the Financial Consumer Protection Act and Banking Dispute Case Studies", "Empathetic Service - Creating a Friendly Environment", "Dark Dialogue Fair Customer Treatment Workshop", "Improving Customer Satisfaction and Customer Complaint Handling Workshop" and so on. A total of 51,877 people completed the training, with a total education and training time of 84,092 hours, and an average of approximately 8.59 hours of training per person.

To strengthen awareness on the protection of the rights of disadvantaged groups, Mega Bank organized courses such as "Introduction to the Financial courses covering friendly financial and the Convention on the Rights of Persons with Disabilities (CRPD), such as "Introduction to the Financial Consumer Protection Act and Banking Dispute Case Studies", "Principles for Fair Treatment of Customers in the Financial Services Industry and Analysis of Dispute Cases of Elderly Financial Consumers", and "Prevention and Care of Dementia Patients" in 2024. The trainees included bank personnel, directors, persons in charge, and senior managers, among which the directors, persons in charge, and senior managers have all completed the aforementioned courses.

Responsible Marketing

Mega Group emphasizes the protection of customers' rights and interests. In recent years, the Financial Supervisory Commission has imposed penalties on numbers of financial advisors for improper conduct. To avoid negative impacts, the Mega Group has stipulated in Article 16 of the "Principles for Ethical Management" that all subsidiaries must comply with relevant laws and international standards in their products and services. The Group also promises to adhere to the principles of product responsibility and marketing ethics in the "Sustainable Development Best Practice Principles" to ensure the safety and transparency of products and services and avoid harming the interests of relevant stakeholders. The principle of "no gender bias in the design of merchandise, advertising, and sales and service" has been incorporated into the Group's regulations in order to implement the principle of gender equality. Among them, Mega Bank has established the "Guidelines for Engaging in Advertising Business and Business Promotion Activities". There are relevant control mechanisms for publishing, broadcasting advertisements, and conducting business solicitation or business promotion activities to ensure the authenticity of advertising content. Before publishing an advertisement, each unit will review the legality of the advertising content through the unit's "Advertising Materials Review List" and conduct a "Self-Evaluation of the Principle of Fair Treatment of Customers and Consumer Protection Effectiveness" every six months to self-examine whether it complies with the principle of truthful advertising.

Furthermore, Mega Group actively provides employee education and training. In 2024, Mega Bank arranged "Principles for Fair Treatment of Customers in the Financial Services Industry and Analysis of Dispute Cases of Elderly Financial Consumers" education and training. The aim was to reinforce their responsibility for marketing to elderly consumers and continue to strengthen employees' understanding of the "Know Your Product" (KYP) and "Know Your Customer" (KYC) principles to implement responsible marketing. Additionally, Mega Group conducts annual customer opinion surveys, discloses information on its official website, and sends email notifications to remind customers to pay attention to their rights and implement customer care. Adequate explanations regarding the financial commodities, services, contract content, and associated risks are provided to customers before entering into a contract agreement with them. Mega Bank, Mega Securities, CKI, and Mega Funds have all mandated that the pre-market review process for new financial products and services, including design planning, review by senior executives, preparation for sale, and other procedures, and shall be submitted to the Board of Directors for approval. In 2024, Mega Group reported that there have been no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling and marketing communications.

Mega Bank's 2024 Financial Literacy Promotional Campaign Targets All Sectors of Society

Target	Persons with Disabilities	Indigenous Peoples	New Immigrants	Total
Sessions	7	5	3	15
Number of Beneficiaries	315	216	58	589

6.1.2 Customer Complaint Management

Mega Group attaches great importance to customer experience, and each subsidiary has established a process for customers to file a complaint, procedures for handling customer complaints, and relevant goals. The Group complies with the "Financial Consumer Protection Act", which requires a complaint to be handled within 30 days of receiving the complaint and the financial consumer that filed the complaint shall be informed of its disposition. Mega Financial Holding and all subsidiaries have set up dedicated units to handle customer complaints and provide multiple and convenient communication channels (e.g., customer service phone number and email address) on the Company's official website in order to respond to customers' needs in a timely manner.

Mega Bank, on the other hand, adopts a standard higher than that of the law by setting up a 24-hour customer service center, where customers can contact customer service via telephone, chatbot, or website email, setting 15 days as the target time frame for handling customer complaints. We also established a dedicated complaint handling unit and an independent complaint review unit. With a proactive attitude, both units adhere to the principles of treating customers fairly and strive to handle customer complaints as soon as possible. Mega Bank's main types of complaint cases are credit card, deposit and remittance services, and service attitude. The customer service center will focus on the customer's comments and faithfully reflect them to the unit of authority to assess whether there is any opportunity for adjustment or optimization. Monthly spot checks on the voice files of the customer service centers (including telemarketing centers) of the bank is carried out to ensure the integrity of the service, with timely education and training of customer service personnel in response to customer complaints.

Customer Files a Complaint
File complaint by phone, in person, by post or email

↓

The Responsible Units Accept the Complaint
Register the complaint, and request the unit where the case occurred to report the facts and handling progress

↓

Investigate the Cause of Complaint
The responsible unit investigates the cause of complaint and drafts solutions

↓

Regular Reporting and Improvement
Review and improve regularly and report to the President, Board of Directors, and relevant units

Communicate Results
Unit in charge informs applicant of the status of complaint

6.1.3 Customer Satisfaction

As a financial service provider, Mega Group regards clients as the most important stakeholder. The Surveys of Customer Satisfaction enable us to better understand customers' true needs, develop products and services that customers require, improve customer loyalty and trust, and create competitive advantage and value for the Group. Mega Group's customer satisfaction coverage rate for 2024 was 96.22% (based on the proportion of net income within the survey area).

★ Case Study

Mega Bank Receives ISO 10002 Certification for Customer Complaint Quality Management System



Mega Bank adopted the ISO 10002 Certification for Customer Complaint Quality Management System and passed third-party verification by the British Standards Institution (BSI). In 2024, we obtained the ISO10002 re-verification certificate from the BSI. Through the continuous incorporation of international standards, Mega Bank is able to establish a model of fair customer service with an international perspective, provide financial consumers with a more transparent and smoother customer complaint pipeline and handling process, and allow customer complaints to be dealt with swiftly and appropriately. With the support and leadership of the Chairman, Mega Bank is able to deepen its service concept of "treating customers like family" from the top down in order to enhance the satisfaction level of financial consumers.

The Result of Customer Satisfaction Survey by Mega Group in 2024

Company Name	Investigated Item	Satisfaction Rate	Compared to the Previous Year	Number of Investigated Cases	Assessment Method	Description
Mega Bank	Telephone courtesy test	92.03%	0.07%	648 valid questionnaires	Telephone Interviews	-
	Satisfaction with counter services	95%	5.2%	3,348 valid questionnaires	Online Questionnaire	-
	Digital service satisfaction survey	92%	2%	14,263 valid questionnaires	Online Questionnaire	-
Mega Securities	Surveys of Customer Satisfaction	92%	6.91%	4,578 valid questionnaires	Online Questionnaire	The questionnaire link is placed on Mega Securities official website, Mobile VIP, E-Network, Mega Winner, Mega Global Wealth Management and line@. The questionnaire is also provided over the counter for customers to fill in via mobile phone QR code.
CKI	Customer satisfaction with claims service	91.96%	0.82%	232 valid questionnaires	Online Questionnaire	-
Mega Funds	Satisfaction with counter services	90.35%	0.24%	510 valid questionnaires	Over-the-counter, Telephone Interviews	-

Customer Satisfaction with Mega Group over the Past 4 Years				
Weighted Average Customer Satisfaction Rate (coverage rate)				Satisfaction Target
2021	2022	2023	2024	2023
85.28% (90%)	88.07% (91.35%)	89.17% (95.52%)	92.46% (96.22%)	✓ 86%

Note：Customer Satisfaction Rate = Total number of questionnaires that indicated satisfaction / Total number of valid questionnaires x 100%

6.1.4 Financial Fraud Prevention

Mega Group upholds the business philosophy of professional finance to comprehensively prevent fraud and combat financial crime. In addition to enhancing the fraud prevention risk education and deepening the concept of money laundering prevention for employees, directors, supervisors, and senior executives, Mega Group actively participates in public and private sector seminars on anti-fraud, fraud prevention, and fraud identification. We also actively promote the awareness of financial fraud prevention among the public in order to achieve the goal of national policy of nationwide combating of fraud. In 2024, Mega Bank won the "Financial Inclusion Promotion Award - Fraud Prevention" at the 12th Outstanding Financial Business Elite Awards and the "Digital Information Security Award (Anti-fraud Category) of the 2024 Digital Banking Award" of the Commercial Times. Mega Securities won the "Taiwan Stock Exchange 2024 Securities Firm Anti-Fraud Evaluation - Outstanding Award" and other honors. Our commitment to financial fraud prevention is evident to all.

Mega Bank Financial Fraud Prevention Measures

Using Anti-Fraud Technology and Cross-Industry Cooperation	• Mega Financial Holding and its seven subsidiaries, including Mega Bank, have signed a Memorandum of Understanding (MOU) with the Criminal Investigation Bureau in "Financial Fraud Prevention and Information Security Joint Defense". An automated system will be used to compare the database of the Ministry of the Interior's "165 National Fraud Prevention Network" to screen for potential fraud risks. • In line with the Bankers Association's "Enhanced Anti-Fraud Measures for the Application of Linked Account", if the linked account is a flagged account or a controlled account, the linked account will not be able to be opened and transfers will not be successful, and the effective period of the linked account will be adjusted. • We have formed the "Financial and Technology Anti-Fraud Alliance" with public banks and the technology industry to improve the Hawkeye Alliance's anti-fraud effectiveness, conduct API linkage to verify data, conduct fraud pattern analysis, conduct victim pattern analysis, develop money mule identification models, and develop a real-time warning system for financial fraud. We have established a technological anti-fraud network from information flow to capital flow. • Launched the "68017" short code SMS service: Mega Bank has partnered with iTe2 Technology Inc. to launch the "68017" short code SMS service to ensure that the SMS messages received by customers are authentic and reliable, and to prevent fraud syndicates from sending fake messages in the name of the bank.
Preventing Financial Exploitation of the Elderly	• A "Senior-Friendly Service Area" has been set up in each branch. An online "Counter Operation Observation Form for Elderly Customers" has been designed for tellers to give extra assistance to customers. Customers are reminded to be careful not to fall for fraud and not to become dummy accounts, so as to prevent elderly financial consumers from being defrauded. • Age control has been added to the review process for credit limit adjustment applications. In the future, if elderly cardholders apply to adjust their credit limit by phone, it will all be reviewed manually. We hope to play a blocking role from the front line, helping people avoid personal information theft and credit card fraud, thus ensuring the card safety of elderly customers.
Conduct Anti-Fraud Promotion Activities	• Participated in the "2024 Financial Services Public Welfare Carnival" directed by the FSC and organized by the Taiwan Financial Services Coalition and the Taipei City Government to promote trust financial knowledge and fraud prevention, and to help the public establish concepts of financial security. • Set up an "Anti-Money Laundering Zone" to share anti-money laundering promotional videos. Through the production of light-hearted and humorous short videos, the public is urged to beware of fraud.
Conduct Anti-Fraud Training for Employees	• Through training and post-training tests, such as "New Forms of Fraud Response and Fraud Recognition Strategies", "Fair Customer Service and Smart Fraud Prevention Training", and "Prevention of Money Laundering and Financial Frauds", or by inviting experts from the public sector to share their experiences, we enhance the ability of the counter service personnel to fight fraud, as well as strengthen the skills of personnel in identifying, blocking, and deterring fraud. • Fraud prevention messages are played in rotation and reminders are printed at ATMs and business halls of each branch.

Mega Bank Financial Fraud Prevention Measures

Establish Fraud Prevention Performance Evaluation Mechanism	• Organized the "Individual Reward Activity for Counter Personnel Blocking Financial Fraud Cases" to provide commendation awards or bonuses to personnel for successfully stopping financial fraud cases in response to letters of commendation from police and government agencies. • Branches that have made outstanding contributions in preventing fraud will be awarded extra points in accordance with the performance management guidelines, and a customer complaint exemption mechanism will be provided to encourage personnel actively carry out top-down fraud prevention. • According to the "Guidelines on Rewards and Penalties for Bank Personnel" and "Rules on the Formulation and Implementation of Reward Programs", individuals can be rewarded for successfully preventing fraud, and the employee's reward and penalties records are linked to their personal performance and promotion.
Establish "Hawkeye Fraud Detection Model"	• With reference to the "Hawkeye Fraud Detection Model" provided by the Alliance, risk factors were added according to Mega Bank's own risk profile to develop an early warning model suitable for Mega Bank. This model is used to identify abnormal patterns and conduct autonomous management, reduce the use of dummy accounts, establish the "Hawkeye Model", and prevent fraud through pre-control rates of flagged accounts. • By observing the customer's purpose of opening an account and their active behavior in electronic transfer, we also set up an abnormal report for review when the customer's communication information is the same as others. In addition, we use systematic rules to perform post-transaction monitoring operations and include the representation of dummy accounts in the scope of system status investigation. In addition, a management and control mechanism will be established for those who apply for virtual account services, and plans are being made to establish a self-defense and reporting mechanism to improve fraud prevention effectiveness.

Mega Group Employee Anti-Fraud Training in 2024

Company Name	Course Subject Content	Sessions	Course Enrollments	Total Course Hours
Mega Bank	Introducing new types of fraud (such as virtual currency, third-party payment, etc.), explaining countermeasures and fraud detection strategies (including the latest legal changes of US OFAC), and training on fair customer treatment and smart fraud prevention in banks	2	12,825	30,654
Mega Securities	Information security and personal data protection (including deep fake recognition), anti-money laundering and prevention of financial fraud, fair treatment and financial friendliness (including fraud prevention)	33	11,390	23,624
CKI	Information security and social engineering training (such as deep fake identification and fraud prevention) Information security and personal data protection (including deep fake recognition), anti-money laundering and prevention of financial fraud, fair treatment and financial friendliness (including fraud prevention)	7	5,124	10,888
Mega Bills	Information security and social engineering training (such as deep fake identification and fraud prevention)	2	518	777
	Total	44	29,857	65,943

Anti-Fraud Awareness Campaigns for All Sectors Organized by Mega Group in 2024

Company Name	Target	General Customers	Students	Elderly People	Disadvantaged Groups	Other	Total
Mega Bank	Sessions	443	25	181	8	5	662
	Number of Beneficiaries	13,881	963	6,526	189	4,520	26,079
Mega Securities	Sessions	36	7	3	5	4	55
	Number of Beneficiaries	6,678	380	203	1,190	2,648	11,099
CKI	Sessions	0	3	4	3	2	12
	Number of Beneficiaries	0	295	260	10,230	900	11,685

Mega Bank

Mega Bank assisted customers in preventing fraud cases



2024 **a total of 1,017 cases intercepted**

298 cases were blocked at the counter

Amount exceeding **NT$258 million**

The amount blocked at the counter totaled NT$243 million

★ Case Study

Mega Financial Holdings and the Criminal Investigation Bureau Signed a Memorandum of Understanding (MOU) in "Financial Fraud Prevention and Information Security Joint Defense"



Mega Financial Holding is concerned about the high number of fraud cases and the high level of financial losses. To demonstrate our determination to prevent fraud and strengthen our protection capabilities, Mega Financial Holding and its seven subsidiaries, including Mega Financial Holding, have signed a Memorandum of Understanding (MOU) with the Criminal Investigation Bureau in "Financial Fraud Prevention and Information Security Joint Defense" at the end of September 2024.

★ Case Study

Mega Bank Collaborates with Public Banks and Technology Sector to Form the "Financial and Technology Anti-Fraud Alliance"



Mega Bank announced the establishment of the "Financial and Technology Anti-Fraud Alliance". On January 21, 2025, it invited eight major public banks to cooperate with nine technology companies in the fields of cybersecurity, blockchain, instant messaging, cloud services and AI chips. Through the technical support of the technology partners, it will unleash the power of the group, establish a technological anti-fraud network from information flow to financial flow, where financial flow is combined with information flow to combat financial fraud.

6.2 Information Security

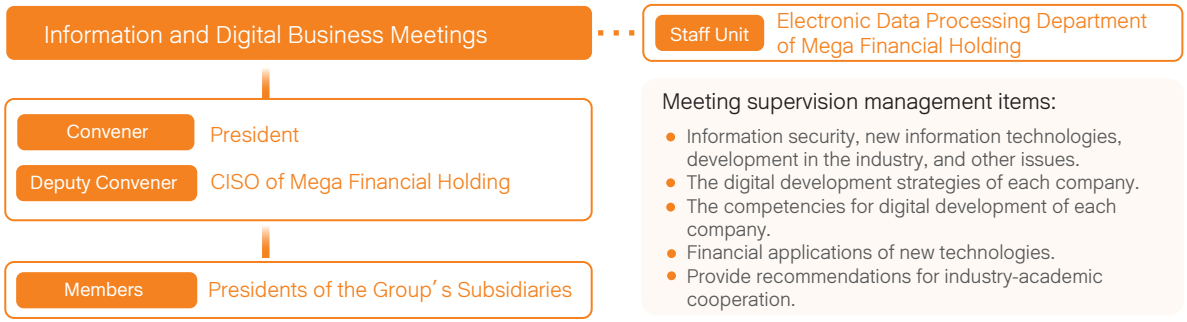
6.2.1 Information Security Management

To oversee Mega Group's information development and information security management matters and reduce information security risks, Mega Financial Holding has established the "Information Security Policy" and "Guidelines for Information Security Management Operations", and regularly reviews information security related regulations every year. The international information security certification ISO 27001 was introduced and obtained in 2022, while the new version of ISO 27001: 2022 was certified in 2024. Through the operation of mechanisms such as information security governance, compliance, risk control, and audit review, and in conjunction with technological applications, Mega Group has aligned with the international information security management system and comprehensively enhanced its information security protection capabilities. Mega Financial Holding organizes information security courses for Directors and Supervisors of the Group every year, and appoint a security consultant to provide information security management consulting services to the Board of Directors for participating in the Group's security meetings. Mega Group continues to recruit external professionals to participate in consulting and providing advice on information security-related issues in order to improve the information security protection mechanism and promote the Group's organizational culture of attaching importance to information security.

In accordance with Article 9-1 of the FSC's "Regulations Governing Establishment of Internal Control Systems by Public Companies", Mega Financial Holding has appointed a supervisory vice president to serve as chief information security officer to oversee the promotion of information security policies and resource allocation matters. The Group has also set up a dedicated information security unit with a total of five dedicated information security supervisors and personnel. They are responsible for the formulation and maintenance of the Group's information security policies and the establishment of an overall information security protection mechanism and emergency response plan.

Information and Digital Business Meetings

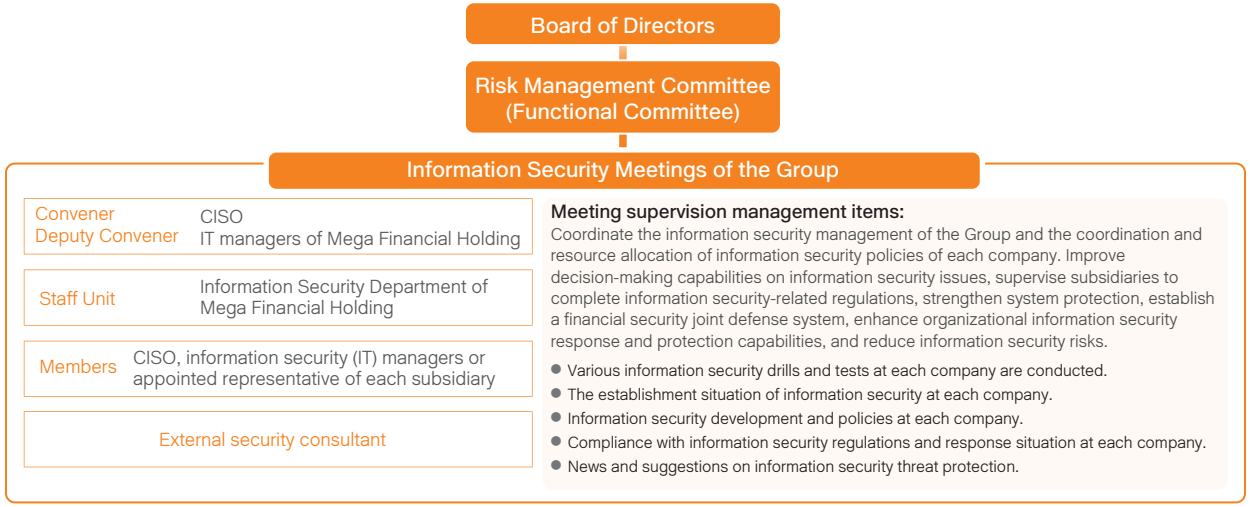
Convener and Members	President of Mega Financial Holding and Risk Management Committee member serves as the Convener; Chief Information Security Officer (CISO) and the Vice President of Mega Financial Holding serves as the Deputy Convener. The Presidents of each subsidiary serve as meeting members.
Frequency of Meetings	Meetings are held at least once every six months and may be convened at any time as needed for business purposes. A total of two meetings were held in 2024.
Meeting Supervision Management Content	Issues concerning the information security of all subsidiaries, new types of information technologies, digital development, and information security incidents are discussed and reviewed during the meetings. The Electronic Data Processing Department is responsible for executing or coordinating meeting-related resolutions. Material issues or resolutions are reported to the Board of Directors and the Risk Management Committee.



Information Security Meetings of the Group

To build a robust foundation for the information security of Mega Group, a Group Information Security Meeting is convened by the Chief Information Security Officer (CISO) of Mega Holdings and attended by the CISO of each subsidiary, Information Security (IT) managers or appointed representatives. This meeting is held once every three months to oversee the Group's information security management matters, the implementation and coordination of each subsidiary's information security policies, and resource allocation. The objective is to improve the Group's capacity to make decisions on security issues. We also supervise our subsidiaries to complete information security-related regulations, strengthen system protection, establish a joint financial information security defense system, enhance organizational information security response and protection capabilities, and reduce information security risks. Furthermore, in accordance with business risks and internal control regulations of each industry; Mega Bank, Mega Securities, CKI, Mega Bills, and Mega Funds regularly report the overall implementation status of information security in the previous year to the Board of Directors every year.

Convener and Members	Chief Information Security Officer (CISO) and Vice President of Mega Financial Holding, serves as the Convener. The meeting is attended by each Company's CISO information security (IT) supervisor, or their designated representatives.
Frequency of Meetings	The meeting is convened once every quarter, with a total of four meetings held in 2024.
Meeting Supervision Management Content	This meeting is held to oversee the Group's information security management matters, the implementation and coordination of each subsidiary's information security policies, and resource allocation. The objective is to improve the Group's capacity to make decisions on security issues. We also supervise our subsidiaries to complete information security-related regulations, strengthen system protection, establish a joint financial information security defense system, enhance organizational information security response and protection capabilities, and reduce information security risks.



Chief Information Security Officer (CISO) of Mega Financial Holding

The Vice President of Mega Financial Holding who oversees information security and information business shall concurrently serve as Chief Information Security Officer(CISO), responsible for the promotion of information security policies and resource allocation.

Information Security Department of Mega Financial Holding

Mega Financial Holding has set up a dedicated Information Security Department, with dedicated information security supervisors and personnel, responsible for the formulation and management of information security policies, planning and promotion of information security management systems, information security incident management, information security business planning, handling and coordination, supervision of information security implementation in each subsidiary, and evaluation, communication and coordination of cross-company information security projects and affairs.

Information Security Management Mechanisms and Measures

Mega Group continues to review the adequacy of related regulations and measures, and allocate budgets to build various information security systems, to respond to the network threats and risks associated with the development of technology. We establish comprehensive network and computer security protection systems, conduct vulnerability scans and improvements from time to time every year, execute penetration tests, and organize social engineering rehearsals and information communication security training. The Group has adopted ISO 27001 Information Safety Management System, establish of SOC (Information Security Control Center), and conduct internal audit of the Information Security Management System(ISMS) on a regular basis once a year and continuously review and improve them to ensure the appropriateness and effectiveness of its information security and network risk management. To ensure the sustainable development and reputation of the operations, Mega Bank and CKI continued to purchase “e-commerce and information security liability insurance (cyber security insurance)” in 2024. The insurance period covered the entire year, with insured amounts of US$5 million and NT$30 million respectively. Mega Group invested more than NT$124 million to introduce information security management measures in 2024.

List of Mega Group Information Security Management Measures

Item	Mega Financial Holding	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	MAM	Venture Capital
Establish a Security Operation Center (SOC)	●	●	●		●	●		
Vulnerability Scan	●	●	●	●	●	●	●	
Penetration Test	●	●	●	●	●	●	●	
Social Engineering Drill	●	●	●	●	●	●	●	●
Business Continuity Test	●	●	●	●	●	●	●	●
Information Security Management System (ISMS)	●	●	●		●			
E-commerce Services and Information Security Liability Insurance		●			●			
Others (DDoS attack protection and drills, endpoint device threat detection and monitoring mechanism projects, network firewall construction, source code security testing platform, etc.)	●	●	●	●	●	●	●	●

Mega Financial Holding Receives ISO 27001 Information Security Management System Certification



Mega Financial Holding has obtained the ISO 27001:2013 international information security certification on September 19, 2022, with the validity period from September 19, 2022, to September 19, 2025, and passed the new version of ISO 27001:2022 certification in 2024.

Mega Bank Information Security Management Results



Mega Bank won the TCSA Information Security Leadership Award (Finance and Insurance Group)

Mega Bank follows the FSC's "Financial Cyber Security Action Plan 2.0" to implement the continuity and implementation of information security policies, and enhance customer trust. Taking into account customers' needs and risk control, we have not only established a comprehensive network and computer security protection system, but also obtained international certifications such as ISO 27001:2022, ISO 22301:2019, and BS10012:2017. In addition, we also conduct penetration testing, information security testing, and the development of an internet default password detection platform, as well as lead the industry in conducting our own information security attack and defense drills. In 2024, Mega Bank was invited to present the results of the Financial Zero Trust Workshop organized by F-ISAC to share the results of Mega Bank's experience in introducing zero trust, and was awarded the "F-ISAC Membership Intelligence Sharing Outstanding Performance Organization". We also once again won the TCSA Information Security Leadership Award (Finance and Insurance Group), the "Excellence in Information Security Governance Award" in the SGS 2024 IT Awards, and the FSC "2024 Financial Information Security Drill Performance Trophy".

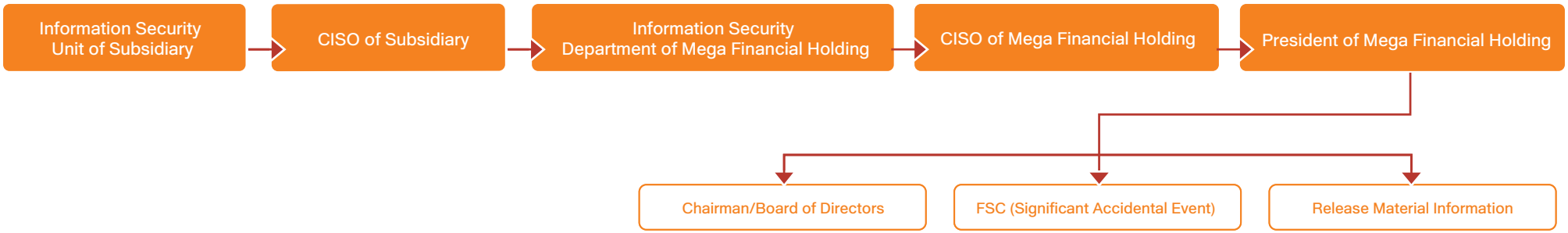
Information Security Reporting Process and Information Security Incidents

Mega Financial Holding has formulated the "Major Contingency Operating Procedure Guidelines", the "Guidelines for the Establishment of a Computer Information Security Incident Response Team (CSIRT)", and the "Guidelines for Information Security Incident Management and Notification Operation" to established an overall CSIRT system to integrate resources and conduct joint cybersecurity defense among subsidiaries to strengthen the Group's cybersecurity incident response and mutual support capabilities. The system can instantly monitor and support the response to the Group's information security incidents, reducing the operational impact of incident damage. In addition, Mega Financial Holding and its subsidiaries have joined the Financial Supervisory Commission's F-ISAC financial security joint defense system and the TWCERT national information security joint defense system, and signed a "Memorandum of Cooperation on National Information Security Joint Defense and Intelligence Sharing" with the Ministry of Justice's Investigation Bureau to share information security intelligence and protection methods, increase the professional capabilities of the information security joint defense, and cooperate between public and private sectors to ensure financial stability and security.

When a major information security incident occurs, the information security incident handling team of the subsidiary where the incident occurred shall communicate with the Group's CSIRT and ensure that response procedures are consistent, and follow the "Flowchart of Coordination and Communication among all Levels of Information Security Incident Response Team" to handle the response to the information security incident. The team should report the major contingency to competent authorities and release information of the major contingency in accordance with regulations. After the information security incident ends, the unit involved in the incident will convene a meeting, so as to prevent recurrence of the incident in the future. In the meeting, the progress of handling and a review report are presented.

In September 2024, the websites of Mega Group's Mega Financial Holding, Mega Securities, Mega Bills, and MITC suffered a Denial of Service (DDoS) incident by the pro-Russian hacker organization NoName057. When the network attack occurred, the relevant defense recovery mechanism was activated immediately and the normal operation of the website was restored. No information leakage was caused. On the same day, the "major contingency" was reported to the competent authorities in accordance with regulations, and important information was released on the Market Observation Post System. There were no data (including personal information) leakage incidents in 2022. Therefore, no customers and employees were affected by information leakage incidents, thus, no related fines occurred.

Notification Process



Information Security Education and Training

To ensure that customers can use the services provided by Mega Group with peace of mind, it is necessary to ensure that employees have information security knowledge and enhanced awareness. Each subsidiary of the Group conducts information security-related education and training every year, and provides both physical and online courses as well as lectures, so that employees can enhance their knowledge of information security and respond to changing security issues every year. The relevant training themes and contents in 2024 included "Information Security Awareness Training", "Strengthening Social Engineering Training", "Application and Protection of Emerging Financial Technologies", "ChatGPT Information Security Application and Risk Management", "Sharing of Financial Industry Hacking Cases and Personal Information Security Protection Issues", "Establishing Information Security Protection Awareness and Concepts", and "Information Security Trends and Risk Response Training". A total of 35 training sessions and promotional seminars were held, and a total of 37,467 participants completed the training (of which 30 training sessions had post-training tests, where all 36,826 participants passed the tests). The total training hours reached 43,529 hours, with an average of 4.44 hours of training per person.

6.2.2 Customer Privacy and Personal Information Protection

Mega Group has adopted a "Zero Tolerance Policy" against the leakage of personal data and customer privacy information, and fulfills its duty to protect customer privacy and ensure information security. Mega Financial Holding adopts the "Customer Data Confidentiality Measures", which are established and maintained by the Compliance Department. The measures provide details on the collection, processing, and use of customer data by Mega Financial Holding and subsidiaries in accordance with the "Personal Data Protection Act", the "Financial Holding Company Act", and the "Regulations Governing Administration of the Collective Marketing in Inter-Subsidiaries Company of a Financial Holding Company". In addition, the protection of customers' personal information is included in our internal control system and employee training on this topic is organized. Mega Bank and CKI commissioned a third-party agency to conduct personal data protection inspections every year. Mega Bank has completed BS 10012: 2017 Personal Information Management System re-verification, CKI completed ISO 27701: 2019 Privacy Information Management System third-party renewal of certification and Mega Securities passed the BS 10012 in 2024: 2017 Personal Information Management System verification for the first time.

Furthermore, to become our customers' most trusted partner, Mega Financial Holding enforced the "Employee Code of Conduct and Reward", the "Punishment Regulations", and the "Customer Data Confidentiality Measures of Mega Financial Holding and its Subsidiaries". According to these regulations, employees shall be bound by the obligation to maintain the confidentiality of the company's information and customer data, and such information shall not be disclosed without authorization unless otherwise required by law. The same rules shall apply after the resignation of an employee. If employees violate the provisions of the "Code of Conduct and Confidentiality Measures", their access to company information will be immediately terminated. Depending on the severity of the situation, the offending employee will be reported and handled in accordance with relevant punishment regulations and be held liable, demonstrating Mega Group's commitment to the protection of personal data and customer privacy rights.

Mega Group permits the Government to obtain customer privacy information only under lawful circumstances, and there have been no other unlawful requests for information, or violations of laws and regulations relating to information and labeling of products and services. In addition, in 2024, the proportion of customers who agreed to secondary marketing at Mega Bank, Mega Securities, Mega Bills, Mega Insurance, and Mega Funds was 27.66%. Mega Group received 1 complaint from an external regulatory agency regarding violation of customer privacy or loss of customer information in 2024. For details of the incident and management measures, please see chapter 3.2.1 Ethical Management.

List of Mega Group's Customer Privacy and Personal Information Protection Management Measures

Item	Mega Financial Holding	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	MAM	Venture Capital
Formulate relevant management policies	●	●	●	●	●	●	●	●
Conduct relevant training	●	●	●	●	●	●	●	●
Conduct relevant employee awareness surveys or tests		●			●	●		
Conduct personal information security incident response drills		●	●		●	●	●	
BS 10012/ISO 27701 Personal Information Management System (PIMS)		● BS10012: 2017	● BS10012: 2017		● ISO27701: 2019			

Customer Privacy and Personal Information Protection Training

In 2024, the topics and contents of related training included "Personal Data Protection Awareness Promotion", "Practice of Personal Data Protection Act", and "Advanced Training Course for Legal Personnel - Personal Data and Information Security. A total of 17 training sessions and promotional seminars were held, and a total of 10,933 participants completed the training (5 of the sessions had post-tests, and 7,439 people passed the tests). The total training hours reached 16,356 hours, with an average of 1.67 hours of training per person.

6.3 Digital Innovation

With the trend of digital transformation and the advent of the post-pandemic era, Mega Group utilizes financial technology (Fintech) to optimize digital experience and create ubiquitous services that will facilitate the development of financial inclusion. The focus is on "Accelerating the Implementation of Branch Digitization", "Enhancing the Digital Financial Service Experience", and "Strengthening Digital Technology Capabilities" as the main axis of digital financial development, making financial services both secure and convenient.

Mega Group has continued to promote various digital/mobile services in recent years based on the needs of customers and obtained relevant patents through stakeholder engagement. For example, we introduced more cloud-based counter service channels, developed an all-inclusive business integration platform, and optimizing online account opening functions. Additionally, personalized notifications are sent through social media to notify customers in real-time, enhancing operational efficiency and intelligent customer service experiences. As of the end of 2024, Mega Group has obtained 1,060 patents related to digital finance.

Digital Banking Development Axes

1 Accelerating the Implementation of Branch Digitization

- Establish the Financial Confirmation Blockchain Platform
- Increase the number of Smart Teller Machines (STM)
- Develop Real Estate Appraisal System
- Promote Paperless for Account Opening Process

2 Enhancing the Digital Financial Service Experience

- Expand Mobile Payment Services
- Promote Digital Deposit Account
- Expand Digital Channel Services
- Use Social Media Platforms
- Provide Mobile Banking Function – Declare Large Foreign Exchange Transactions
- Launch Smart Enquiry on Deposit Transactions
- Establish Remote Video Service Platform

3 Strengthening Digital Technology Capabilities

- Optimize Intelligent Customer Service
- Establish Online Financial Service Platform
- Utilize Robotic Process Automation (RPA)
- Develop Financial FIDO Biometrics
- Establish Smart Document Recognition Service Common Platform

Mega Bank Once Again Receives Taiwan Intellectual Property Management System (TIPS) Level A Validation



Mega Bank has been actively developing digital services, emphasizing corporate governance and implementing intellectual property management. Since 2022, Mega Bank has established an intellectual property rights protection management system, formulated intellectual property policies and objectives and implemented them accordingly. Mega Bank also strengthened the existing intellectual property management mechanism by introducing the Taiwan Intellectual Property Management System (TIPS). The TIPS Level A Validation was passed at the end of 2023 (valid for two years, until December 31, 2025).

To implement the intellectual property management program, Mega Bank passed the "Intellectual Property Management Plan and Implementation Status in 2024" at the 41st meeting of the 17th Board of Directors on December 6, 2024. We have actively applied for financial patent protection, and has been ranked among the top 100 legal entities in Taiwan for three consecutive years. In addition to being ranked among the top 100 patents, as of the end of 2024, Mega Bank has obtained a total of 178 invention patents, 880 utility model patents, and 2 design patents, with a total of 1,060 patents, demonstrating our outstanding achievements in research and development.

6.3.1 Branch Digitization

Mega Group's first step in promoting digital financial development is to enhance the digitization level of each branch and location. Every year, it continuously promotes and improves various measures, such as establish the "Financial Confirmation Blockchain Platform", promote "Paperless Paperless for Account Opening Process", apply for "Financial Service Permissions System" and develop "Real Estate Appraisal System", accelerating the promotion of digitization.

Establish the Financial Confirmation Blockchain Platform	Description	Traditional confirmation letters to accounting firms must be mailed via registered mail and provided with a return mail envelope. Each confirmation takes an average of 10-15 days to complete. Mega Bank connects to the blockchain confirmation system of Financial Information Service Company to expedite confirmation and reduce manual operations and costs of branches. The Bank established an automatic confirmation platform that integrates the business system databases and significantly reduced confirmation response time to "immediate response within 3 working days". It effectively reduces manual processing time and makes full use of "Paperless" environmental protection effects.	
	Results of Promotion	By the end of 2024, we processed 53,429 confirmations via blockchain, which reflects a gradual increase in the number of blockchain confirmations as a percentage of all confirmations.	
Promote Paperless for Account Opening Process	Description	Mega Group encourages customers to place orders electronically and adopt e-Statement/e-Policy to reduce the need for paper billing.	
	Results of Promotion	Mega Bank	• A total of 73,931 online credit card applications were submitted, effectively reducing more than 73,931 sheets of paper applications printed. • A total of 35,998 single and installment system applications were submitted, saving 35,998 sheets of paper. • A total of 33,674 new credit card accounts were added to the e-billing system, which is estimated to save about 404,088 sheets of paper in a year. • A total of 15,374 online trust accounts were opened, saving approximately 420,000 sheets of paper. • Using email to notify natural persons of overseas property income can save about 38,000 sheets of paper.
		Mega Securities	In 2024, there were 23,311,657 electronic transactions, and 844,432 electronic transaction statements were sent, saving 844,432 sheets of paper.
		CKI	In 2024, over 266,000 e-policies were issued, saving 2.12 million sheets of paper.
		Mega Funds	The 2024 ETF fund income distribution were sent out as eNotice, saving 54,034 sheets of paper and envelopes, and the statements were sent to the beneficiary by email, saving 47,286 sheets of paper and envelopes.
Develop Real Estate Appraisal System	Description	Mega Bank has a patent for the "Real Estate Appraisal System". The automated real estate appraisal model system receives multiple data inputs and performs appraisals and outputs results, effectively addressing the needs of bank mortgage valuation. The system is now applied to the Bank's "eMortgage" official website, allowing customers to perform online property valuations.	
	Results of Promotion	In 2024, there were 108,383 visits to the website, and the website was used 37,988 times for queries on real-estate actual price full disclosure, and to conduct appraisals and price estimates.	



6.3.2 Digital Financial Services

While improving the digitalization of each branch and location, Mega Group also continues to "Expand Mobile Payment Services", "Promote Digital Deposit Account", "Expand Digital Channel Services", "Use Social Media Platforms" and "Provide Mobile Banking Function – Declare Large Foreign Exchange Transactions" every year, allowing customers to use more convenient digital financial services.

Item		Description	Results of Promotion
Expand Mobile Payment Services	Mega Bank	**Continue to promote "TWQR" and "Taiwan Pay":** Regular promotional activities were held to encourage people to use these facilities. In 2024, Mega Bank also cooperated with the Central Bank and the Financial Information Service Company to develop a "digital voucher" function service, integrating the various types of digital vouchers that were previously issued independently by the units. Through a single app, one can register, receive, and use digital vouchers for discounts when making purchases, and establish a complete payment ecosystem.	As of the end of 2024, the number of deposit accounts linked to Taiwan Pay and major electronic payment platforms was approximately 1.28 million, an increase of 18.5% from 1.08 million last year.
		Provide different device systems to use international mobile payment: Cardholders can use Apple Pay, Google Pay, Garmin Pay and Samsung Pay services, making us the first public bank to provide a complete international mobile payment service.	As of the end of 2024, the number of cards used for mobile payment/electronic payment was approximately 149,000 cards, accounting for 23% of the total number of valid cards. The number of transactions throughout the year was approximately 8.83 million, and the total transaction amount was approximately NT$5.2 billion, an increase of 43.8% over last year.
		Expanding mobile payment service channels: Cooperate with major electronic payment operators and supermarkets/malls to provide credit card/account electronic payment services, such as JKOS Pay, LINE Pay, icash Pay, OPEN Wallet, +PAY, PX Pay Plus, and OK Pay.	As of the end of 2024, the credit card payment services cooperating with major channels (such as convenience stores, supermarkets/malls, etc.) had a total of approximately 8.83 million transactions throughout the year, with a total transaction amount of approximately NT$5.2 billion, an increase of 43.8% over last year.
Promote Digital Deposit Account	Mega Bank	Mega Bank provides a consolidated one-stop digital financial service, in which customers can open multiple accounts (digital deposit account, trust account, securities account), CKI Internet banking membership, debit card, credit card, and combined debit/credit card all at the same time.	Mega Bank has opened 410,930 digital NTD and foreign currency accounts as of the end of 2024, an increase of 30.6% over the same period last year.
Expand Digital Channel Services	Mega Bank	**Provide Internet banking and mobile App services:** Designed based on a customer-oriented approach. Through data collection and analysis of network traffic and remote user perception, the menu, name and the structure of online banking are fully adjusted to optimize user experience.	As of the end of 2024, Mega Bank has opened 1.56 million Internet banking accounts, up 7.52% from 2023; and approximately 1.16 million mobile app accounts, up 11.48% from 2023.
	Mega Securities	**Continue to optimize the online account opening process:** Added the "investor's deposit" and "green loan account" online account opening services to provide customers with online account opening services for credit users, natural person securities lending, unrestricted purpose loan and T+5 loan, as well as plan account opening marketing activities.	The number of accounts to be opened through digital channels reached 39,192 in 2024.
		Continue promote optimized platform for opening accounts over the counter: Mega Securities introduced digital signature and media storage technologies, significantly reducing the waiting time for customers to open accounts or open additional accounts at counters.	In 2024, a total of 5,389 customers have used the optimized paperless platform to open a bank account.

Item	Description		Results of Promotion
Use Social Media Platforms	Mega Bank	**Provide multiple account notification services for official LINE accounts:** Mega Bank's LINE official account issues an average of 9.33 million notifications each month. In addition to saving 90% of the cost of the SMS delivery, customers can also actively inquire foreign exchange rates, service locations, credit card services, financial services and mortgage calculations on the LINE official account. They can also use online text customer services to ask questions and receive answers.	2024 As of the end of December, Mega Bank official account currently has 3.204 million members.
		Actively promote LINE official account linking service: Mega Bank encourages cardholders to link their cards to receive real-time notifications of credit card purchases, and to increase the frequency of interaction with cardholders through the broadcasting of event messages.	2024 As of the end of December, there were approximately 299,000 accounts linked by cardholders.
	CKI	**Provide multiple notification services for LINE official accounts:** CKI uses its official LINE account to increase brand exposure, push product/event information, and send policyholder care messages during special events (such as natural disasters).	As of the end of 2024, CKI LINE official account currently has 13,500 members.
		Actively promote LINE official account linking service: CKI provides a lot of service support through its official LINE account, such as guiding members to relevant service platforms, including online insurance, policy inquiries, claims services, credit card payments, service locations and smart customer service. At the same time, it continues to develop personalized service linking functions and provide policyholders with vehicle survey photo upload services.	As of the end of 2024, approximately 55 were linked to LINE personalized services.
Provide Mobile Banking Function – Declare Large Foreign Exchange Transactions	Mega Bank	Mega Bank officially launched mobile banking function - declare large foreign exchange transactions at the end of 2021. By completing an IXML certificate application on their mobile banking app, customers can buy/sell foreign currencies equivalent to a value of NT$500,000 or more. This service is convenient and less time consuming, as customers no longer need to visit the Bank to sign declaration forms. They can also enjoy preferential exchange rates that are exclusive for online exchanges.	By the end of 2024, a total of 16,474 IXML certificates were issued, and the amount of foreign exchange declaration completed through IXML certificates totaled NT$13.632 billion, representing an increase of 51.42% compared to 2023.
Launch Smart Enquiry on Deposit Transactions	Mega Bank	In March 2023, Mega Bank launched the AI transaction search service, which utilizes AI Natural Language Process (NLP) and big data technology to help customers find the information they need faster and more accurately. It also provides "automatic word correction", "error correction", and "related word" functions to meet customers' different search needs, which effectively shortens search time and enhances operational experience.	The service was launched on mobile banking in March 2023 and expanded to corporate online banking on the Global E-banking in 2024, greatly improving customers' account checking efficiency and experience.
Establish Remote Video Service Platform	Mega Bank	In 2023, Mega Bank completed the construction of a joint platform for remote video services, which will allow businesses to flexibly set up video processes and case review mechanisms according to their planning, including appointment management, SMS management, file management, operational process management, business management, and word card management functions. Branches and other user units can also flexibly schedule video appointments for customers, and provide functions such as recording and retaining video content, and video conference case management, to enhance the overall customer experience of digital services. For customers who are hearing-impaired, they can communicate through the word card prompts. For the customers who are visually impaired, they can be assisted by specialists, and the Bank can confirm and complete the relevant operations step by step, reducing the need for customers to visit the counter or manually carry out the operation. All of these help financial services to break away from the constraints of place and time.	Launched at the end of October 2023, the "Online Application and Video Service for High Asset Customers" is the first public sector bank to offer this service. Customers who meet the high asset qualifications can complete the application for High Asset Clients in about 3 minutes through the mobile banking app. Then the Customer Relationship Manager (CRM) will complete the review and approval process through the video service process, replacing the complicated application process of filling out paper documents and contract signing and identity confirmation of the past, as well as providing customers with a more convenient, efficient, and secure service.

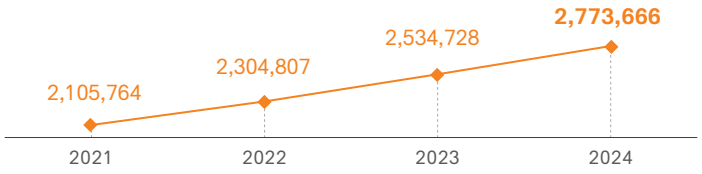
Item	Description		Results of Promotion
Accessibility	Mega Bank	Mega Bank uses a regular review mechanism to understand the user experience of various groups (including disadvantaged groups and middle-aged and elderly groups) with digital services. The mechanism and improvements include: 1. We regularly conduct accessibility testing of our official website, online banking's "Accessible Friendly Zone", online ATM, and other accessible website services every year to ensure that our website services comply with accessibility-related standards. 2. The "Accessible Friendly Zone" of the mobile banking app launched a biometric quick login function in May 2024, greatly improving the convenience of financial friendliness and improving the gap in digital financial services for disabled customers, ensuring the implementation and protection of the rights of people with disabilities.	We conduct a "Digital Service Satisfaction Survey" regularly every year to collect and analyze the opinions of people of all ages and the middle-aged and elderly groups, and summarize the report at the board of directors. In the 2024 digital service satisfaction survey, the participation rate of the middle-aged and elderly population reached 33%. In addition, Mega Bank has made system adjustments and improved performance to address the problems commonly encountered by middle-aged and elderly people when operating online/mobile banking, and will continue to monitor whether the same problems still occur in the future.

Cumulative Number of Accounts Opened Digitally by Mega Group in the Past 4 Years

Company Name	Application Item	2021	2022	2023	2024	Difference between 2024 and Previous Year (%)
Mega Bank	Number of Online Banking Accounts	1,231,157	1,347,025	1,455,169	1,564,527	7.52%
	Number of Mobile App Accounts	850,780	930,338	1,042,689	1,162,346	11.48%
	Total Number of Accounts	2,081,937	2,277,363	2,497,858	2,726,873	9.17%
Mega Securities	Digital Accounts	16,528	20,050	29,412	39,192	33.25%
Mega Funds	Digital Accounts	7,299	7,394	7,458	7,601	1.92%

Note : 1: Digital accounts include margin account opening/contract renewal/limit adjustment, fund lending, securities lending, and wealth management.
Note : 2: Mega Bank's digital channels include internet banking and mobile app.

The Cumulative Number of Digital Accounts Opened by Mega Group in the Past 4 Years



6.3.3 Digital Technology Capabilities

AI technology and IoT applications have always been breakthroughs and trends in technology development. Mega Group continues to develop Fintech to optimize digital experience. AI technology is applied to optimize smart customer service, enabling customer needs to be met more efficiently, while IoT technology is used to establish an online financial services platform and reduce the complex processes involved in financial transactions.

To strengthen the AI and technology-related capabilities of our personnel, Mega Bank has launched a series of courses including artificial intelligence, digital technology applications and trends, and customer experience and innovative service design. Through lectures and workshops, it strengthens employees' understanding of technology and improves their digital product planning capabilities. In 2024, 412 training sessions were completed, enhancing employees' understanding of technology, significantly improving digital product planning capabilities, and cultivating talents with forward-looking technological vision for the organization.

Item		Description	Results of Promotion
Optimize Intelligent Customer Service	Mega Bank	Mega Bank continues to use Natural Language Processing (NLP) technology in text and voice customer service operations, reducing customer waiting time after call-in and improving customer satisfaction through smart customer service. Intuitive services such as font enlargement, read-aloud function and speech recognition input are also available for elderly and customers with disabilities. For foreign customers, we provide 24-hour VoIP service, which not only avoids time difference restrictions, but also saves on international call charges.	In 2024, there were 652,365 logins to use the Chatbot – Hsiao Meh, an increase of 27,297 users (a 4% increase in usage) compared to 2023, and the response rate reached 96%, which is effective in solving customer problems. Through the 24-hour round-the-clock intelligent customer service, it was initially estimated that the monthly labor and business expenses saved up to a million dollars, which will effectively reduce the operating costs.
	CKI	In 2024, CKI continued to optimize its intelligent customer service "Mega Hsiao Le". In addition to cooperating with Mega Bank to launch the Mega Financial Fast-ID login function, it also introduced a text-to-speech dialing function for the elderly and visually impaired, so that customers can enjoy more comprehensive and friendly financial services.	In 2024, there were 30,429 logins to use the Chatbot – Mega Hsiao Le, with the service volume accounting for about 36% of the total number of customer service cases, and the response rate has reached 90%, overcoming time and location constraints.
Establish Online Financial Service Platform	Mega Securities	Online Account Opening Platform "E-Open": In addition to the "investor's deposit" and "green loan account" online account opening services, we have also cooperated with Mega Bank to build "Financial FIDO" mobile identity recognition, as well as securities and sub-brokerage account authorization services to provide diversified online account opening services.	A total of 20,773 securities accounts and 18,419 sub-brokerage accounts were opened online in 2024.
		"Mega E-Stock" Platform: We continue to optimize the diversified conditional stock deposit function. We provide stock deposit service with fixed amounts, fixed shares, conditional orders and U.S. stocks based on intraday zero shares, enabling low income earners and dividend investors to have a more flexible digital stock deposit experience.	In 2024, the cumulative number of stock deposit plans reached 49,013.
Robotic Process Automation (RPA)	Mega Bank	To build an All-in-One (AIO) platform, Mega Bank streamlined and consolidated counter operations through digitized equipment and process modifications in 2022 to enhance branch efficiency and improve the customer digital service experience. The scope of operations includes deposit account opening, deposit account opening for the visually impaired and the physically disabled, gold passbook opening, personal account basic information modification, change of the old and new ID card numbers for foreigners, upgrade of digital deposit account permissions, and opening of trust finance accounts.	By the end of 2024, a total of 385 sets of AIO paperless equipment were deployed, serving 122,700 people and opening 151,931 accounts.
	CKI	In 2022, CKI started to introduce process automation, gradually transferring simple and high-frequency operational processes to robots, and the processes that have been applied so far involve claims, financial management and quotation-related operations.	In 2024, we developed our own RPA maintenance team that can write process automation scripts and carry out self-maintenance. The main running scripts include: (1) Online banking account details are checked and downloaded for approximately 300 accounts per day. (2) The fleet needs insurance policies printed, with about 2,000 cases executed each month.
Financial FIDO Biometrics	Mega Bank	In June 2023, Mega Bank officially launched the Financial Fast-ID service, which uses biometric technology (e.g., fingerprint or facial recognition) to link to mobile devices for identity authentication, effectively reducing the risk of account and password disclosure, theft, or phishing attacks, as well as enhancing the protection of customers' online transaction data and transaction security. Financial Fast-ID is a fast, convenient and secure identity verification tool. It is expected to join the Financial Information Service Company's verification and transfer center in June 2025, where the application scenarios will be expanded to cross-financial holding companies or government agencies (MyData). In the future, as long as customers agree, they can directly obtain the basic information originally retained in the registered bank, saving repeated registration of personal basic information, providing smoother and more secure online services, and improving financial-friendly services.	As of December 2024, the total number of registered users was 26,066. It supports multiple financial services at the cloud counter, online card 3D verification, CKI's online membership registration, login, insurance, and Mega Securities' settlement account linking under the online account opening function. The total number of verifications was 78,459, and the number of online credit card 3D verifications was 19,252, with a card swipe amount exceeding NT$32 million. Since the service was launched, there has been no case of credit card fraud.
Establish Smart Document Recognition Service Common Platform	Mega Bank	By the end of 2023, Mega Bank completed the establishment of a joint platform for smart document recognition services to provide intelligent and highly accurate document recognition results. By connecting to other business service systems through APIs, it reduces the cost of duplicating the relevant functions for each unit and accelerates the introduction of online operations.	After the launch of the service, we have already provided financial document recognition to simplify the daily operations of business staff and enhance operational efficiency for credit collection operations, customer identification to speed up the related counter application process, and internal reconciliation document recognition. It was used nearly 8,000 times in 2024, effectively simplifying the daily work of business personnel and improving work efficiency.



7 Employee Care

7.1 Diversified Recruitment
7.2 Talent Development
7.3 Happy Workplace
7.4 Human Rights Protection

- Mega Bank and Mega Securities completed the ISO 45001 Occupational Safety and Health Management Systems certification renewal
- Continued to be included in the Taiwan Employment Creation 99 Index and Taiwan High Compensation 100 Index
- Employee education and training totaled 613,000 hours with each person receiving 62.5 hours of training on average
- Subsidized finance certifications or professional qualification tests for 1,429 people, totaling nearly NT$2.12 million
- Nearly 73,000 participants attended human rights education and training for a total of 99,000 hours
- Provided over NT$3.85 million in marriage subsidies and NT$23.08 million in childbirth subsidies
- Provided maternity/paternity leave superior to statutory requirements

Material Topics of GRI Standards

GRI 401: Employment
GRI 403: Occupational Health and Safety
GRI 405: Diversity and Equal Opportunity

Corresponding Material Topics

Happy Workplace

Targeted Stakeholders

Employee/Corporate Union

7.1 Diversified Recruitment

Mega Group regards employees as important assets and the foundation of business development. To implement labor-management harmony and create a partnership of coexistence, co-prosperity, and win-win situation, we provide comprehensive planning and assistance from employee recruitment, development, retention, welfare to retirement through the Employee Care Working Group under the Sustainable Development Committee, as well as the HR units of Mega Financial Holding and its subsidiaries. We take care of employee health and strive to create a happy enterprise.

7.1.1 Talent Resources and Structure

Mega Group complies with the labor laws and regulations of Taiwan and respects the internationally recognized basic labor human rights principles, and incorporates the relevant regulations into the Group's "Human Rights Policy". To ensure equal opportunity in recruitment, employment, salary benefits, and job promotion, Mega Group prohibits discrimination on unfair treatment on the basis of nationality, race, class, language, thought, religion, etc. As of the end of 2024, the total number of employees in Mega Group was 10,288, including 9,795 full-time employees, 223 non-full-time (contract) employees, and 270 employees of subsidiaries not included in this sustainability report. Of which the number of employees in Taiwan was 9,010 (accounting for 92%), and the number of employees in overseas subsidiaries was 785 (accounting for 8%). There was no significant change in the number of employees during the reporting period compared with the previous year (2023). Overall, most of our employees were aged 30 to 50, with a total of 5,933 employees, accounting for 60.6% of all full-time employees. For detailed data on talent structure over the years., please refer to Appendix 9.1.2 Social Metric Data.

Mega Group Global Talent Structure

Category		Item	Number of Employees	Percentage (%)
Full-time Employees/ Indefinite Contracts	♀ Female	Age < 30	851	8.7%
		Age 30-50	3,706	37.8%
		Age > 50	1,260	12.9%
		Total of Female	5,817	59.4%
	♂ Male	Age < 30	462	4.7%
		Age 30-50	2,227	22.7%
		Age > 50	1,289	13.2%
		Total of Male	3,978	40.6%
	Region	Taiwan	9,010	92.0%
		Overseas	785	8.0%
	Education Level	PhD	12	0.1%
		Master's Degree	2,468	25.2%
		Bachelor Degree or Equivalent	6,964	71.1%
		Senior High (Voacational) School	342	3.5%
		Junior High School or Below	9	0.1%
Total			9,795	100%

Category	Item	Number of Employees	Percentage (%)
Part-time (temporary) / Dispatch Contract	♀ Female	148	67.3%
	♂ Male	75	32.7%
Total			100%

Note 1: All of the part-time employees of Mega Group are located in Taiwan, and the total number of full-time employees is 9,010 (92%) in Taiwan and 785 (8%) in overseas locations.

Note 2: Part-time employees and dispatch contract employees (non-guaranteed working hours) are temporary and part-time workers, mainly drivers for the executives and students working part-time. Drivers are mainly responsible for picking up and dropping off managerial officers. Students working part-time are responsible for delivering documents, arranging meetings, and performing other miscellaneous tasks.

Note 3: There are 270 employees in subsidiaries which are not included in this Sustainability Report; the number of non-employee workers is 101 (including interns, contractors' cleaning or security personnel.)

Mega Group has a long-standing interest in the issue of gender equality and has taken practical actions to support gender equality and empower all women. In terms of talent structure, there were a total of 5,817 female employees in 2024, accounting for 59.4% of the total. In addition, in line with Goal 5 of the UN SDGs - Gender Equality, Mega Group has set a target of "maintaining a balance between genders with a range of 40% to 60% for both male and female employees". The achievement rate of this target has been 100% for the past four years.

Management Structure of Mega Group Full-time Employees

Category	Item		Number of Employees	Percentage (%)
Management	♀ Female	High-level Manager	14	0.5%
		Mid-level Manager	112	3.9%
		Junior-level Managers	1,402	49.4%
	Subtotal of Female Management		1,528	53.8%
	♂ Male	High-level Manager	22	0.8%
		Mid-level Manager	232	8.2%
		Junior-level Managers	1,054	37.2%
	Subtotal of Male Management		1,308	46.2%
	Total of Management		2,836	100%
Non-Management	♀ Female		4,289	61.6%
	♂ Male		2,670	38.4%
			6,959	100%

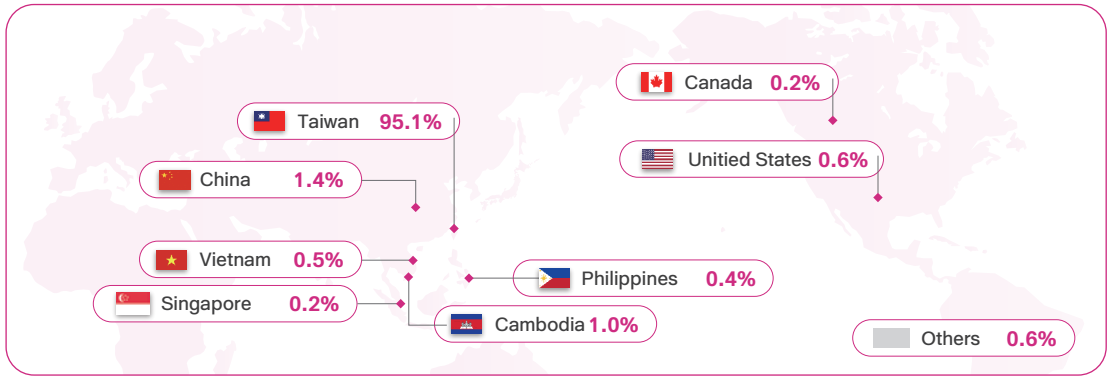
Note : High-level managers refer to vice president and above, mid-level managers refer to unit supervisor, junior-level managers refer to non-unit supervisor.

7.1.2 Employee Diversity

Mega Financial Holding also established the "Human Rights Policy" and "Anti-Discrimination and Anti-Sexual Harassment Guidelines" to actively respond to the global spirit of "Diversity, Equity and Inclusion (DEI)". We joined the CommonWealth Magazine's "TALENT, in Taiwan - Taiwan Talent Sustainability Action Alliance" in 2024. We are committed to creating a diverse and equal employment environment, safeguarding the work rights and interests of different ethnic groups, and allowing each employee to fully demonstrate their uniqueness and differences. (For human rights actions, please refer to 7.4 Protection of Human Rights). As of the end of 2024, Mega Group had employed a total of 60 employees with disabilities and 12 indigenous employees, an increase of 9% and 20% respectively from 2023. In the future, appropriate job vacancies will continue to be provided to establish a friendly and inclusive workplace. For detailed information on employees with disabilities and indigenous employees, please refer to Appendix 9.1.2 Social Metric Data.

Diversified Employee Base

Mega Group has a global business layout that attracts international talent. As of the end of 2024, the top eight nationalities of the Group's employees include: Taiwan, China, Cambodia, the United States, Vietnam, the Philippines, Singapore and Canada, accounting for 99.3% of the Group's total employees. Mega Group also plans to strengthen employees' international perspective and promote workplace exchanges through overseas branch internships and observation visits. For detailed information on global employees over the years, please refer to Appendix 9.1.2 Social Metric Data.



Gender Equality

With the rapid development of digital technology around the world, there is an increased demand for STEM-related positions in companies. In Mega Group's workforce, 606 women, or 44%, are employed in STEM positions. A total of 1,221 female employees (59%) are employed in management positions in Revenue-generating Function Units, demonstrating that Mega Group does not discriminate based on gender in hiring and promoting its employees, and that each employee is able to make the best use of his or her talents and abilities. For more information on Mega Group's efforts to promote gender equality, please visit 7.4.2 Human Rights Risk Management.

Functional Information Full-time Employees

Category	Item	Number of Employees	Percentage (%)
Employees in STEM-related Positions by Gender	♀ Female	606	44%
	♂ Male	773	56%
Managers in Revenue-generating Function Units by Gender	♀ Female	1,221	59%
	♂ Male	860	41%

Note : 1: Revenue-generating positions are based on business units, excluding support units such as human resources, legal compliance, and auditing.

Note : 2: STEM-related positions are counted as those involving statistics, mathematics, and actuarial calculations, such as the Investment Division, the Information Division, and the Digital Financial Services Division.

Middle-Aged and Elderly Friendly

To increase the labor participation of middle-aged and elderly people, Mega Securities, Mega Futures, and Mega Funds are actively building a middle-aged and elderly-friendly and inclusive workplace. In 2024 they were awarded the Taipei City's "Middle-aged and Elderly Friendly Enterprise Certification". In addition to providing physical and mental health assistance, Mega Securities has established a digital learning platform to shorten the digital gap for middle-aged and elderly employees. It has also launched the "Launchpad Plan" where senior employees teach new sales staff through professional knowledge, business skills, customer service, and legal compliance, supplemented by various commodity trading practices, system functions, and super-industry experience sharing, in order to promote the inheritance of skills and experience of middle-aged and elderly talents. At the same time, a series of activities that meet the needs of middle-aged and elderly employees are organized, covering health care courses on topics such as ultra-slow jogging, eye health checks, bone health, and stress management. Mega Funds also announced its "Public Commitment to Middle-Aged and Elderly Employee Friendliness" on its official website, and continues to provide employees with health checks and travel subsidies. It has also established sports clubs, middle-aged and elderly co-working groups, psychological counseling, and employee care lectures. Through the "All-Age Care Program", it invites lecturers to carry out exchange and sharing with employees, interactive teaching, and other care activities to create an inclusive and friendly work environment in the hope of achieving healthy and happy aging.

Mega Securities, Mega Futures, and Mega Funds were awarded Taipei City's "Middle-aged and Elderly Friendly Enterprise Certification" in 2024.

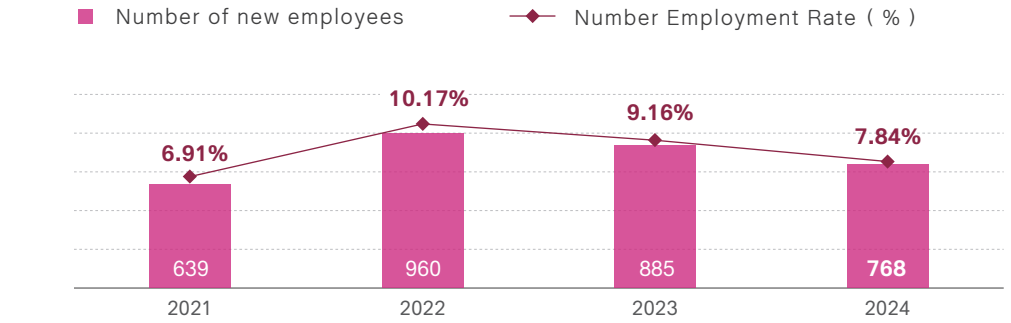




7.1.3 Newly Hired and Resigned Employees

In 2024, the number of new employees, the new employee rate, and the retention rate were 768, 7.84% and 81.1% respectively, which were lower than the previous year. In addition to recruiting talent, Mega Group also continues to track the resignation of employees, and develops relevant workplace improvement plans through turnover rate analysis. A total of 527 people resigned in 2024 (excluding retirees and those on extended unpaid leave). The turnover rate and voluntary resignation rate were 5.38% and 5.02% respectively, both higher than in 2023. This was due to the increase in the number of new employees and voluntary resignations. For detailed information on global employees over the years, please refer to Appendix 9.1.2 Social Metric Data.

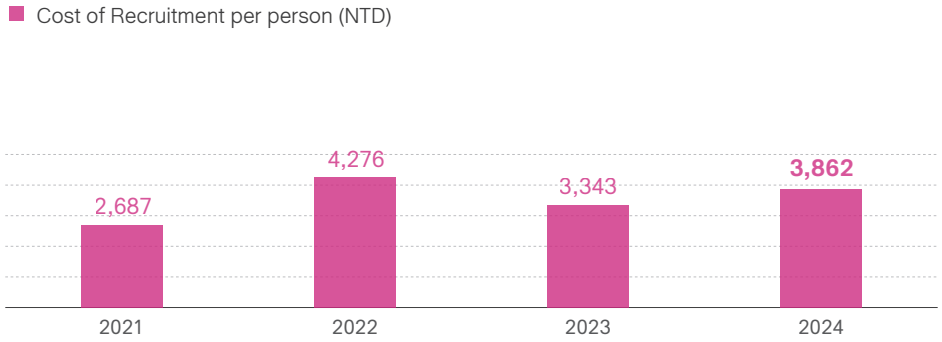
Global Workforce - New Employees



Note : 1: The total number of New Employees refers to the number of new employees who join the organization for the first time (reinstated personnel are not included).

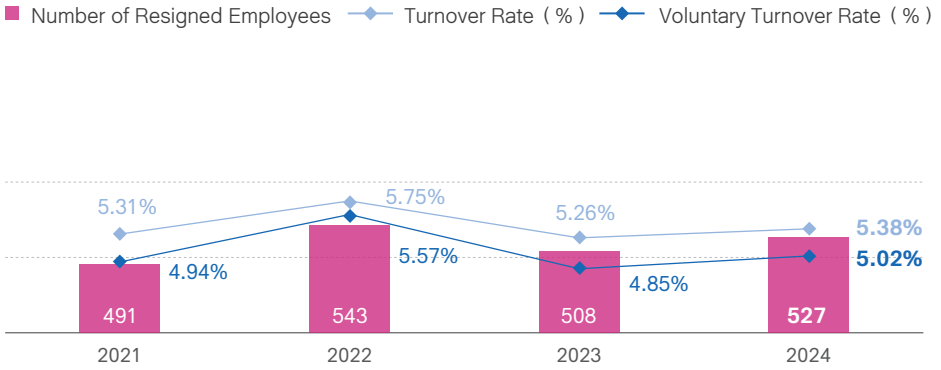
Note : 2: New Employment Rate (%) = Number of New Employees / Number of Employees at the End of the Year x 100%.

Average Recruitment Cost per New Employee



Note : Average Recruitment Cost of New Employee = Total Cost of Hiring New Employees in the Year / Number of New Employees.

Global Employee (Full-Time) Turnover Rate



Note : 1: The number of Resigned Employees includes the number of employees who resigned voluntarily, early retirement, layoff, dismissal, and those who passed away while on duty, and excludes those who retired at the mandatory age and those on extended unpaid leave.

Note : 2: Turnover Rate (%) = Number of Resigned Employees / Number of Full-time Employees at the End of the Year x 100%.

Note : 3: Voluntary Turnover Rate (%) = (Number of Voluntary Resigned Number of Employees+ Number of Early Retirement Employees) / Number of Full-time Employees at the End of the Year x 100%.

7.1.4 Recruiting Strategy

In response to the declining birth rate in Taiwan and the trend of diversified development in the financial industry, Mega Group focuses on recruiting talents in three major areas: Digital, Sustainable, and Diversified Financial. We recruit through various channels, such as job banks, corporate websites, media, and accept referrals from relevant professionals in the financial industry or from within our own employees. With a rigorous screening process, we ensure that applicants are suitable for the positions they apply for.

Targets	Objective	Recruitment Outcome
Digital Talents	Digital talents are recruited in response to the vigorous development of digital banking technology. Digital talents can help the Company to improve its competitive advantages, build up the Company's information and cybersecurity capacity, and strengthen new businesses related to financial technology, such as corporate website operation, social networks, and digital marketing, etc.	Mega Bank and Mega Securities have recruited more than 18 digital finance professionals through campus recruiting, posting on official websites and job bank websites.
Sustainability Talents	Sustainability talents are recruited to keep up with sustainability trends and to engage with various stakeholders to plan and execute the Company's sustainability strategies and action plans, thereby achieving corporate sustainable development.	In response to Mega Financial Holding's establishment of the "Sustainability Development Department" and joining the FSC's "Coalition of Movers and Shakers on Sustainable Finance", Mega Financial Holding actively recruits professionals specialized in sustainable development. Each subsidiary also cooperates with the needs of the Group by allocating manpower to handle sustainable-related businesses, effectively integrating resources and promoting corporate sustainable actions. The Group recruited 9 sustainability talents in 2024
Diversified Financial Talents	Diversified financial talents are recruited to reinforce our global presence, adapt to emerging financial issues such as sustainable finance and digital finance, assist with the development of related products, and enhance the competitiveness of the Company's products and services.	Mega Bank is recruiting talents in private banking, consumer credit, data analysis, marketing planning, and marketing strategy planning to cope with diversified business development. The Group recruited 55 diversified financial talents in 2024

Campus Recruitment

To attract outstanding young talents, Mega Group actively cooperates with colleges and universities to provide scholarships, set up financial courses in collaboration with domestic universities, offer internship and work-study opportunities to students, as to cultivate and attract potential financial talents.

Category	Item		Results
Provide Internship Opportunities	Background	Provides young people with job opportunities to enable them to understand the professional functions of the financial industry and to nurture and attract potential talents.	• Mega Bank, Mega Securities, Mega Bills, and Mega Funds provided a total of 201 internships for college/university students.
	Collaboration Channels	We organize summer internships for college/university students, cooperate with related departments, and post job vacancies on job bank websites.	
Provide Scholarships and Bursaries	Background	In response to the Mega Securities' need to cultivate securities talents.	• Mega Securities awarded a total of NT$1,088,000 in scholarships.
	Collaboration Channels	Mega Securities cooperates with the financial department of colleges/universities.	
Organize Corporate Visits for Students	Background	Mega Group is actively focused on nurturing talents. The corporate visit themed "Exploring the Multiverse of Mega Securities" was organized by Mega Securities and co-organized by Mega Futures and Mega International Investment.	• Nearly 100 high school and college/university students applied for the program and 57 students were accepted. The input of the program is NT$129,900
	Collaboration Channels	Invite high school and college/university students who are highly interested in the financial industry to apply for the program.	
Organize Campus Financial Seminars or Career Sharing	Background	The lecturer from Mega Securities shares practical knowledge of securities and imparts financial fraud prevention skills through hands-on teaching and personal experience. They guide young people in learning correct financial management knowledge, understanding the complex commission business in securities, as well as new trends in global commodities, and strengthen awareness of preventing investment scams.	• A total of 6 sessions were held with a total of 289 students and an investment of NT$20,300.
	Collaboration Channels	Cooperate with Zhili University of Science and Technology, Jingyi University, Chung Cheng University and other tertiary institutions to organize financial knowledge lectures.	

★ Case Study

Mega Securities "Exploring the Multiverse of Mega Securities" Corporate Visit



The Mega Securities "Exploring the Multiverse of Mega Securities" corporate visit event was held at Mega Securities Head Office in July 2024. It was hosted by Mega Securities and co-organized by Mega Futures and Mega Funds. It focused on "introduction to Mega Securities' business and sharing of job-seeking practices for new employees", "delivering financial-friendly values", and "financial fraud prevention and risk awareness education" as the three main themes. The event attracted nearly 60 high school and college students from around Taiwan to explore their interests in career development and seize opportunities to enter the workplace.

7.2 Talent Development

7.2.1 Education and Training

Mega Group has spared no effort in employee education and training, providing employees with diverse and professional training courses and development plans. The Group plans and organizes various financial-related professional courses, foreign language courses, overseas study programs, seminars, and encourages employees to engage in self-learning. By establishing online learning resources and providing measures such as professional certification exams, and foreign language proficiency tests, Mega Group has a well-established mechanism for self-learning, creating a learning and innovative working environment that enables employees to continuously develop their skills and unleash their potential.

Mega Group Professional Talent Training Program

			Participating Company						
Category	Item		Mega Financial Holding	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	AMC
Vocational Training	Management Training	Unit Supervisor Training	●	●	●				
		Cadre Training		●					
		Executive Research Class/ Leadership Class		●	●				
		Mid/High-level Managers Learning Camp		●	●				
		Entry-level Manager Training	●	●		●			
	Professional Training	Annual Training Programs		●		●	●		
		Professional Competency Training	●	●		●	●	●	●
		New Knowledge on Financial Laws and Regulations	●	●		●	●	●	●
	General Knowledge Training	New Employee Orientation	●	●	●	●	●	●	●
		Foreign Language Learning	●	●					
		Computer Skills		●			●		
		Labor Laws Training	●	●		●	●		
Self-learning	E-learning Platform (such as Hami Book)		●	●		●	●	●	
	Subsidies for Professional Licenses and Certifications		●	●	●	●	●	●	●
	Language Test Subsidies			●		●	●		

Unit: thousand NTD

Mega Group Human Capital Return on Investment

Item / Year	2021	2022	2023	2024
A. Total Revenue	60,230,846	56,049,653	77,321,894	83,485,131
B. Total Operating Expenses	29,605,479	29,670,950	33,498,208	36,247,405
C. Total Employee- related Expenses	20,146,203	19,586,824	21,787,288	23,275,113
Human Capital Return on Investment =[A-(B-C)]/C	2.52016	2.34676	3.01143	3.02953

In 2024, the average training hours per employee in Mega Group was approximately 62.5 hours, with a total training time of 613,000 hours. Compared to 2023, the average training hours and total training time decreased by approximately 0.4% and 3% respectively. (For detailed information on Training, please refer to Appendix 9.1.2 Social Metric Data)

Mega Group encourages its employees to participate in related professional certification or qualification examinations, providing full or partial subsidies for registration fees and certification fees. Relevant certifications include Certified Financial Planner (CFP), Associate Financial Planner (AFP), Certified Financial Services Auditor (CFSA), Certified Anti-Money Laundering Specialist (CAMS), and so on. In 2024, Mega Group invested more than NT$78.78 million talent training costs, provided subsidies for professional certifications to a total of 1,429 people, offering nearly NT$2.12 million in subsidy fees. Mega Group not only continues to provide subsidies but also plans relevant educational training and provides professional support to its employees. (For detailed information on professional certifications, please refer to Appendix 9.1.2 Social Metric Data).

Employee Development Programs

Learning Method	
Coaching or Mentorship (Applicable to new employees or all employees)	Mega Financial Holding and its subsidiaries assign experienced colleagues or supervisors as mentors to provide one-on-one guidance for new employees, helping them quickly familiarize themselves with the work environment, enhance professional skills, and improve service quality. Mega Bank has established a one-year new employee mentoring system, which includes practical exercises and a regular feedback mechanism; subsidiaries such as Mega Securities, CKI, Mega Funds, and AMC also offer practical guidance and experience sharing from senior employees or supervisors. Some units further integrate professional training courses with supervisor evaluations, demonstrating a systematic and practical-focused nurturing model, reflecting Mega Financial Holding's strong commitment and consistency in talent development.
Teams and Networks (Applicable to all employees)	Mega Financial Holding and its subsidiaries utilize training systems or learning platforms, as well as invite external experts to conduct seminars, to cultivate a learning atmosphere among employees, encourage self-growth, and apply what they learn. For example, Mega Bank has established the HELP DESK information service management system, which provides knowledge sharing, experience transfer, and motivates employees to engage in self-directed learning and self-service environments. Mega Securities has set up a 168 online education platform and message board on its intranet, allowing employees to communicate and exchange ideas with each other. Additionally, Mega Bills periodically holds training sessions in credit assessment and bond business functions for frontline staff, inviting employees from similar business units to be taught by senior colleagues who share practical case analyses, facilitating the transfer and exchange of experiences among employees.

Types of Programs Offered for Employee Development

Leadership development program	Project Name：Unit Supervisor Training Program
	Project Purpose：Refer to “Unit Supervisor Training Program” in this chapter
	Project Content：Refer to “Unit Supervisor Training Program” in this chapter
	Applicable Employees/Percentage：Mega bank employee/8.78%
	Business Impact：Through training, we encourage colleagues to continue their roles as unit supervisors in the company. The retention rate of key talents in 2024 is 98.64%, which is 3.22% higher than the bank's total turnover rate of 95.42%.

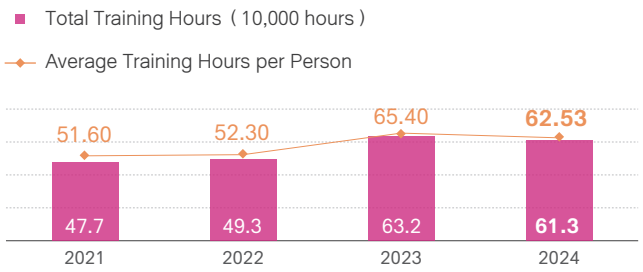
Types of Programs Offered for Employee Development	
Cultural education	Project Name：Overseas Branch Business Training Course
	Project Purpose：In order to assist overseas branches with business expansion, operational management, and understanding the regulatory focus and cultural differences of various countries.
	Project Content ：Organize a course on the theme of "Cultural Differences." Global talent management expert Randstad Holding NV listed cultural intelligence (CQ) as one of the most important leadership skills of 2020. Cultural intelligence focuses on the "understanding" and "adaptability" to different cultures, shifting from a fixed mindset to implementing a growth mindset, which in turn reveals more ways to foster inclusivity within the organization.
	Applicable Employees/ Percentage：Mega bank employee/2.84%
	Business Impact：Providing expatriate colleagues with adaptability. According to the 2024 employee engagement survey results, expatriates scored the highest in the “job competence” category (4.01/5), while their adaptability was highest in the “cultural and interpersonal interaction differences adaptability” category (4.04/5).
Transition program for retiring and terminated employees	Project Name：Mega Bank Customized Retirement Planning Service
	Project Purpose：For bank employees who are about to retire, examining the wealth gap and providing the most suitable asset allocation advice not only enables clients and planning retired employees to take effective financial actions, but also helps them prepare cash flow in advance for retirement life.
	Project Content ：Integrating the wealth management mobile advisor iPad system, targeting high-performing financial clients aged 40 to 69 with retirement financial planning needs, exclusive financial advisors use the mobile iPad calculation function to create customized retirement diagnostic reports. With visuals, intuitive design, and easy-to-understand language, we examine financial gaps and provide optimal asset allocation to assist clients in taking effective financial actions and preparing for retirement planning early.
	Applicable Employees/ Percentage：Mega bank employee/1.73%
	Business Impact：Improve the financial situation of employees after retirement and attract employees to continue using Mega Financial products and services. The percentage of retired employees In 2024, the total amount of new investments by retired personnel of Mega Bank who participated in the” Mega Bank Customized Retirement Planning Service “ was NT$11,330,057.
Digital transition program	Project Name：Digital Financial Capability Basics Course Series
	Project Purpose：To strengthen internal innovative thinking and culture, enhance employees' ability to respond to the rapid changes in financial technology, and cultivate employees' digital skills and literacy.
	Project Content ：Set up an AI-powered education platform on Microsoft Teams, providing knowledge and discussion related to AI. The main tasks include (1) post creation, review, and publication; (2) planning and executing a submission system; (3) knowledge lottery activities; (4) reader surveys; (5) reader interviews; (6) AI+ ∞ knowledge base (OneNote); (7) listening to and reading AI (podcast)
	Applicable Employees/ Percentage：Mega bank employee/2.84%
	Business Impact：The course covers various fintech knowledge including artificial intelligence, blockchain, and customer experience. Participants have provided feedback that the course content is rich, significantly helpful, and has improved work efficiency.

ESG Training

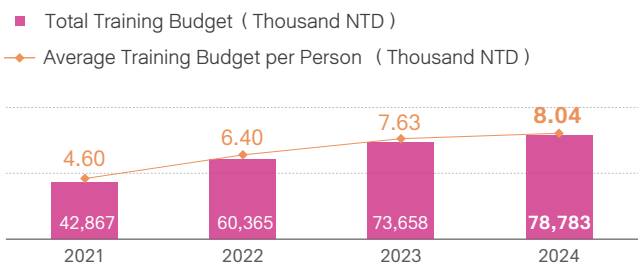
To enhance the ESG collective knowledge of the highest governance unit and build sustainable development literacy among personnel, the Group plans for directors and supervisors to receive at least three hours of ESG training each year, with the cumulative training hours reaching 733.9 hours in 2024. In addition, an annual ESG training hour threshold is set for individuals in managerial level or above (including vice-presidents) and general employees. In compliance with the commitment requirements of the FSC “Coalition of Movers and Shakers on Sustainable Finance”, Mega Financial Holding and its subsidiaries conducted at least one ESG awareness survey in 2024 to enhance learning outcomes.

In addition, in response to the competent authorities' encouragement for financial industry practitioners to obtain the “Sustainable Finance Certificate”, Mega Bank provides examination/training fee subsidies to employees who apply for the Sustainable Development Basic Competency Test and Sustainable Development Advanced Competency Certificate sponsored by the Securities and Futures Institute, the Taiwan Insurance Institute, and the Taiwan Academy of Banking and Finance. Those who obtain the aforementioned certificates within a certain period of time will also be provided with additional qualification points. In 2024, a total of 142 employees of Mega Group obtained the “Sustainable Finance Certificate” (Basic Competence) and 3 employees obtained the “Sustainable Finance Certificate” (Advanced Competence), of which 115 and 2 employees were from Mega Bank respectively.

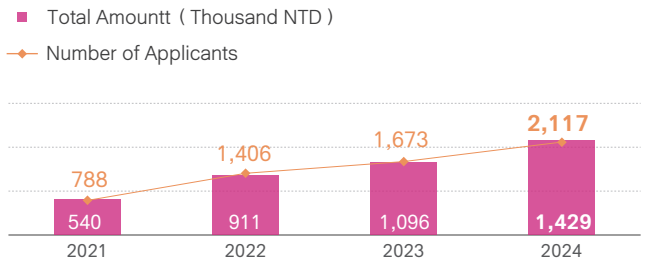
Education and Training Hours Statistics



Training Cost Statistics



Subsidies for Professional Licenses and Certifications



★ Case Study

Mega Financial Holding Held a Group ESG Promotion Seminar, Focusing on Anti-Greenwashing and International Human Rights Issues



In response to ESG sustainability trends at home and abroad, Mega Financial Holding held the 2024 Group ESG Promotion Seminar on July 22. External speakers were invited to share their views on the recent topics of concern - financial institutions' anti-greenwashing and international human rights issues. The goal was to educate the employees of the Group and its subsidiaries. A post-session test was also conducted after the seminar in order to check the learning effectiveness of the employees.

Professional Talent Training Programs

To provide a development environment and resources that match the capabilities of employees, Mega Bank has established an "Annual Training Plan". Courses and seminars are offered based on business categories, while professional training courses are held periodically to strengthen employees' professional skills training in response to factors such as company strategies, financial market trends, and legal changes. In addition, to make up for the lack of internal training, Mega Bank also sends personnel to participate in professional training courses and promotional events held by external institutions such as the Taiwan Academy of Banking and Finance, Bankers Association of the Republic of China, Trust Association of the Republic of China, Securities and Futures Institute, and Chung-Hua Institution for Economic Research.

Mega Bank and Mega Securities also designed the "Unit Supervisor Training Program" and "Elite Cadre Training Program". Each unit regularly recommends outstanding mid-level personnel with ambition and development potential to be trained in the relevant courses in the industry once they pass the review. They also provide follow-up professional training programs for external organizations to train unit supervisors and elite cadres. To track and evaluate the effectiveness of the training programs, Mega Group uses the Kirkpatrick Model to measure and effectively quantify the benefits of the training programs.

Training Program Name	Program Description	Target	Training Benefits
Unit Supervisor Training Program	Mega Bank recommends outstanding employees with potential from various units to participate in the Unit Supervisor Training Program annually. The course content covers digital finance, financial markets, wealth management, fraud prevention and deterrence, fair customer treatment, and so on. Industry experts, scholars, and consulting companies are invited to give lectures on topics such as "Exploring Window Dressing and Fraud in Corporate Financial Reports from Problematic Enterprises and Introducing the Convergence of the International Standards of Sustainability Disclosure and the New Standard IFRS18", "Sharing Climate Change and Sustainable Finance Trends", "Solving Customer Complaints and Improving Satisfaction", and "Leadership and Governance". Through cultivating excellent employees and enhancing their professional knowledge and governance capabilities, potential unit supervisor candidates are identified to establish a succession pipeline for sustainable operation.	Mega Bank Staff	Number of people trained in 2024: 17 Cumulative training number of trainees: 649 Number of people appointed as a unit supervisor: 327 Ratio (%): 50.39% Trainee satisfaction: 97.8% Business benefits: Enhance the ability of future unit managers to make decisions, lead change and manage change, and understand the bank's current operations and business policies
Elite Cadre Training Program	In 2024, Mega Bank held the 14th Elite Cadre Training Program, which has been offered since 2014. The program aims to train mid-level managers who are under 45 years old, outstanding, ambitious, and have development potential. The course content covers banking-related businesses such as deposits, wealth management, and anti-money laundering, in addition to other subjects. Employees who took part in the training have gained practical experiences from serving in important positions at the Head Office and domestic and overseas business units and from partaking in professional training programs, at home and abroad.	Mid-level Managers	2024 Number of trainees: 80 Cumulative training number of trainees: 1,016 Number of people appointed as a unit supervisor: 50 Ratio (%): 4.92% Trainee satisfaction: 94.4% Business benefits: • Inspire employees to be aware of their role as managers • Establish a sense of purpose to master communication to reach consensus • Ensure execution and implementation of the system

Kirkpatrick Model

Item	Metric	2024	2023
L5 Return on Investment (ROI)	Return on Training Investment	3.2	3.43
L4 Results	Customer Satisfaction	93.50%	90.20%
L3 Behavior	Key Talent Retention Rate	98.64%	99.10%
L2 Learning	Completion Rate for Training Course	100%	100%
L1 Reaction	Satisfaction Rate of Training Course	97.80%	92%

Kirkpatrick Model

Item	Metric	2024	2023
L5 Return on Investment (ROI)	Return on Training Investment	3.2	3.43
L4 Results	Customer Complaint Cases	200	220
L3 Behavior	Key Talent Retention Rate	95.18%	95.83%
L2 Learning	Completion Rate for Training Course	100%	100%
L1 Reaction	Satisfaction Rate of Training Course	94.40%	95.06%

Mega Bank Training Program Results in the Past Years	Item	2021	2022	2023	2024
Unit Supervisor Training Course	Number of People Trained	37	37	19	17
	Training Hours per Person	34	34	33	32
	Training Expense (NTD)	119,978	149,410	138,112	168,818

Mega Bank Training Program Results in the Past Years	Item	2021	2022	2023	2024
Elite Cadre Training Course	Number of People Trained	79	100	106	80
	Training Hours per Person	28	28	28	27
	Training Expense (NTD)	181,521	184,725	195,304	203,353
Seminar on Overseas Branch Businesses	Number of People Trained	37	61	35	34
	Training Hours per Person	33	33	33	32
	Training Expense (NTD)	51,750	52,100	49,325	67,528

7.2.2 Job Rotation and Performance Appraisal

Job Rotation

Job rotation serves to develop talents for banking business, enhance personnel's interest in their work and stimulate their working potential. With the aim of meeting the goal of putting the right person in the right position, the employee rotation system adopted by Mega Group mainly includes "Internal Rotation and Recruitment" and "Talent Exchange within the Group".

Internal Rotation and Recruitment	Purpose	To meet business needs, activate organizational functions, and cultivate outstanding talents through strengthening job experience, so that human resources can be used effectively and work potential can be fully realized.
	Description	Mega Group's internal rotation and recruitment mechanism adopts two methods: internal rotation and rotation between units. In addition to allowing employees to be placed in suitable positions and retaining outstanding talents for Mega Group, the internal rotation mechanism also has the function of mutual support during busy business seasons or manpower shortages. All relevant transfers comply with the "Five Principles of Rotation" stipulated by laws and regulations.
Talent Exchange within the Group	Purpose	To promote talent exchange among companies within the Group, to facilitate employee deployment, and to strengthen the cultivation of professional talents.
	Description	The "Group Personnel Exchange Rules" have been established to provide personnel exchange mechanisms within the Group through negotiation or borrowing, in order to meet the needs of cross-industry operations in finance.

Replacement of Vacancies within Mega Group		
Number of Open Positions filled by Internal Candidates in the Year	Management	490
	Non-management	395
	Total	885
Open Positions in the Year (Note 1)		1,148
Percentage of Open Positions Filled by Internal Candidates (%) (Note 2)		77.1%
Percentage of Open Management Positions Filled by Internal Candidates (%) (Note 3)		42.7%
Percentage of Open Non-management Positions Filled by Internal Candidates (%) (Note 4)		34.4%

Note 1: Open Positions in the Year include the number of voluntary internal rotations and the number of new hired in the year.

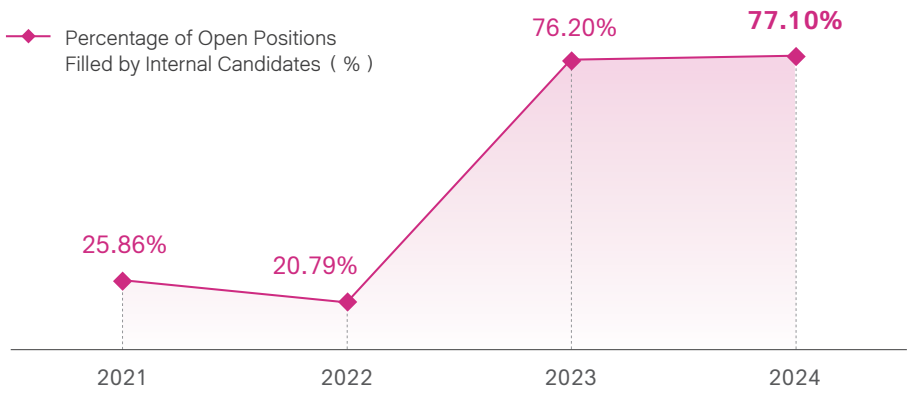
Note 2: Percentage of Open Positions Filled by Internal Candidates (%) = (Number of Open Positions filled by Internal Candidates in the Year / Open Positions in the Year) x 100%.

Note 3: Percentage of Open Management Positions Filled by Internal Candidates (%) = (Number of Open Management Positions filled by Internal Candidates in the Year / Open Positions in the Year) x 100%.

Note 4: Percentage of Open Non-management Positions Filled by Internal Candidates (%) = (Number of Open Non-management Positions filled by Internal Candidates in the Year / Open Positions in the Year) x 100%.

Note 5: Starting from 2023, the Group adjusted the method of calculating the Number of Open Positions Filled by Internal Candidates to include the number of internal rotations, resulting in an increase in the Percentage of Open Positions Filled by Internal Candidates.

Percentage of Open Positions Filled by Internal Candidates (%)



Performance Appraisal

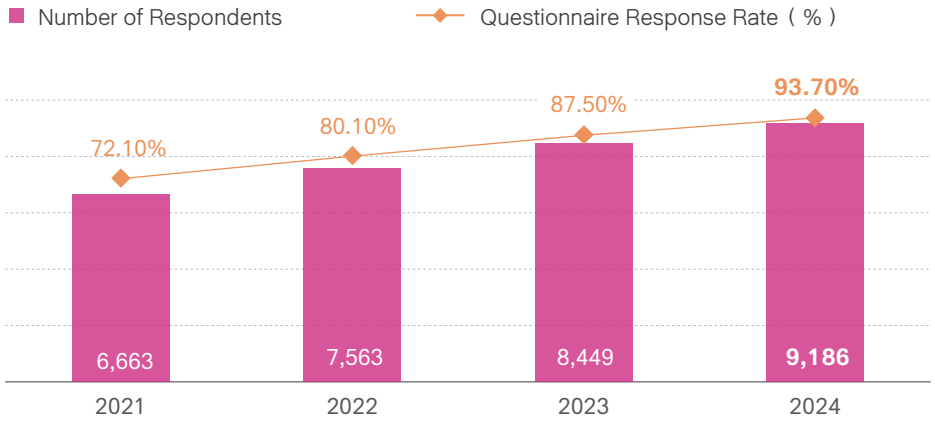
To achieve organizational performance goals and discover employee potential, Mega Group has established a fair and just performance appraisal system in accordance with the "Employee Performance Evaluation Guidelines". The number of internal promotions within the Group reached 1,196 in 2024. Mega Group's performance appraisal can be divided into "Management by Objectives", which is applicable to all employees, and "Ranking Evaluation", "Team-based Performance Appraisal", and "Agile Conversations", which is designed for specific businesses.

Management by Objectives	Description	Assesses employee performance at the end of each year based on their day-to-day work performance, goal attainment, and key performance indicators. The evaluation is carried out according to fair and just principles and strict operating procedures. Except for personnel under probation employees and reinstated personnel who have returned to work during the current year, all other employees will undergo evaluation. The results of the performance evaluation will be used as the basis for employee rewards and promotion.
	Frequency	The evaluation is conducted once a year by Mega Financial Holding and subsidiaries.
Ranking Evaluation	Description	Designed for specific businesses such as wealth management and credit card promotion, and ranks employees according to their performance in specific business areas. This evaluation motivates employees to achieve better performance by providing bonuses based on ranking.
	Frequency	Mega Bank: From time to time. Within the approved budget, each business unit will operate a business target incentive program for a specific period based on the targets set by the business. Mega Securities, Mega Bills: Once a year.
Team-based Performance Appraisal	Description	Departments and teams regularly conduct performance evaluations to enhance their management functions and assess their business performance.
	Frequency	Once a year for some departments and teams of Mega Bank, Mega Securities, Mega Bills, and CKI.
Agile Conversations	Description	Supervisors discuss with employees to set up work objectives, and request those with low achievement rates, poor performance, and unsuitable employees to fill out project evaluation forms and have continuous dialogs to request improvements.
	Frequency	Mega Bank: Once a year. Mega Securities: More than 4 times per year. CKI: Non-scheduled project evaluation.
Multidimentional Performance Appraisal	Description	Mega Financial Holding has revised the "Implementation Guidelines for the Department Succession Planning," which stipulates that the selection of deputy department heads should involve multiple performance evaluations. These evaluations should assess aspects such as work ability, communication skills, leadership, and work performance, incorporating feedback from self-assessments, subordinate evaluations, and peer evaluations, for reference by supervisory authorities or the appointed review committee.
	Frequency	Irregularly

7.2.3 Employee Engagement

To understand the level of employee engagement and satisfaction in Mega Group, as well as the relationship between the two and job performance, a professional organization was commissioned in 2024 to conduct a survey of the Group and its subsidiaries. For the first time, the survey subjects were expanded to include employees who were part of job-rotation in overseas locations. A total of 9,186 responses were obtained, with a questionnaire response rate of 93.7%, an increase of 6.2% compared to 2023. The questionnaire used a 5-point Likert Scale and referenced Gallup and Towers-Watson's definition of employee engagement for item design, while considering job satisfaction to explore the benefits of employee engagement on job performance.

Group Employee Engagement Survey



Survey Aspect of Employee Engagement



Survey Results

Results showed that the score for Mega Group's Employee Engagement Survey was 3.72. The percentage of employees who actively participate in their work (those who scored 3 or above on the survey) was 90.8%.

Items / Year	2021	2022	2023	2024
Actively Engaged Employees	87.3%	88.5%	92.9%	90.8%

The overall analysis results show that in terms of gender, male employees in the Group have higher levels of work commitment than female employees. In terms of job positions, managers have higher levels of work engagement than non-managerial positions. The analysis of each survey dimension found that it was difficult for Group employees to feel the correlation between personal performance and organizational goals, and their awareness of promotion channels was low, which affected their achievement motivation. Mega Group will ask all companies to pay attention to internal promotion situations and encourage supervisors to reward employees in a diversified manner and provide positive feedback to enhance employees' commitment and willingness to stay.

Items / Year			2021		2022		2023		2024	
			Sample	Score	Sample	Score	Sample	Score	Sample	Score
Gender		♂ Male	2,858	3.61	3,243	3.65	3,549	3.83	3,879	3.78
		♀ Female	3,805	3.62	4,320	3.60	4,900	3.75	5,307	3.68
Position	Management	Top-level Manager	63	3.99	50	3.90	53	3.95	56	3.93
		Mid-/Junior-level Manager	1,925	3.67	2,218	3.67	175	3.83	2,739	3.76
	Non-management		4,675	3.55	5,295	3.60	8,221	3.76	6,391	3.70
	Total		6,673	3.71	7,563	3.62	8,449	3.78	9,186	3.72

7.3 Happy Workplace

7.3.1 Remuneration and Benefits

Enhance Salary Competitiveness

For new employees, Mega Group provides different basic salaries based on their job grades. There is no difference in pay based on factors including gender, age, race, religion, political stance, marital status, and participation in organizations. The basic salaries of new employees, at home and abroad, across the Group are higher than the minimum wages of countries where they operate; subsequently, employees' compensation will vary year by year based on the performance bonuses and the increase of salary.

Mega Group has been selected as a constituent stock of the "Taiwan High Compensation 100 Index" by the Taiwan Stock Exchange for 10 consecutive years, indicating that the salary level of the Group's employees is higher than that of most listed companies in Taiwan. In addition to the monthly salary and the year-end bonus, each employee's annual income includes the performance bonus and employee compensation paid according to the annual performance, and employees with outstanding performance are also eligible for a raise in order to retain outstanding talents and achieve 100% utilization of annual employee benefits budget.

In response to the growth rate of the Consumer Price Index and boost the morale of the Group's employees, at the end of 2024, the Board of Directors of Mega Financial Holding approved a 3% salary increase in 2025 based on the salary adjustment of civil servants, ensuring that both junior employees and supervisors will benefit from the increase and demonstrating the importance of employees' rights and interests.

Average and Median Salary of Full-Time Non-Managerial Employees

Items / Year	2021	2022	2023	2024	Difference between 2024 and previous year
Number of Full-time Non-Managerial Employees	7,728	7,754	7,902	8,102	↑ 200
Average Annual Salary of Full-time Non-managerial Employees (thousand NTD)	1,450	1,432	1,562	1,705	↑ 143
Median Annual Salary of Full-time Non-managerial Employees (thousand NTD)	1,173	1,173	1,304	1,446	↑ 142

Average and Median Difference in Remuneration and Bonus by Gender

Average Difference in Remuneration by Gender	18.23%
Median Difference in Remuneration by Gender	19.78%
Average Difference in Bonus by Gender	18.54%
Median Difference in Bonus by Gender	18.03%

Note 1 : Gender difference is the ratio of the difference between male data and female data accounts for the proportion of male data.

Note 2 : Calculated based on the global full-time employees who are still on job and have worked for more than 6 months on December 31, 2024; as for the remuneration, it is calculated on an annual basis.

Note 3 : The calculation definition refers to the "Average Benefits of Non-managerial Employees" of TWSE, and the annual remuneration includes salary, bonus (year-end bonus, performance bonus, employee remuneration) and overtime pay (including overtime pay for unused vacations).

Mega Group not only provides generous salaries, year-end bonuses, performance bonuses, and employee compensation, but also offers excellent employee benefits, including life/medical/disability insurance, maternity/paternity/childcare/health check/family care leave, retirement programs, employee preferential deposit and stock trust, subsidies for marriage/funeral/childbirth/illness/travel/social clubs, to ensure comprehensive care is provided to the employees.

Labor Practice Program

Programs	Description
Ensure adequate wages at or above cost of living estimates or benchmarks	• In order to provide adequate salaries, Mega Financial Holding has set its basic starting salary (excluding bonuses/overtime pay) based on the Ministry of Finance's announced cost of living for the fiscal year 113 (NT$210,000) and the Ministry of Economic Affairs' average monthly salary of NT$63,000 for grassroots employees. The starting salary is NT$72,000, which is 2.62 times higher than the statutory monthly minimum wage of NT$27,470 in 2024; the overall annual salary is also significantly higher than the aforementioned standards. • The company has a sound salary, assessment, and promotion system. In addition to conducting comprehensive salary adjustments in line with the military and public education salary adjustment policies at irregular intervals, employee performance is reviewed annually for assessment or promotion. Therefore, employees' salaries can grow each year, ensuring they have a stable income to maintain their quality of life. • Mega Financial Holding was selected as a component stock of the "Taiwan High Salary 100 Index," indicating that Mega employees' salary levels are superior to most listed companies in Taiwan, providing competitive salary and benefits.
Monitor working hours including overtime management	Establish an attendance system to track employee overtime and verify employee attendance. Employees must swipe their cards to confirm their attendance time when they start and finish work; if there are any records of absence, the system will notify the employee to confirm their attendance status.
Ensure employees are paid for overtime work	The methods for overtime and overtime pay have been clearly established in the attendance regulations, and records of employee overtime requests are retained through the attendance system, with checks conducted monthly to calculate overtime hours and distribute overtime pay.
Regularly engage with workers' representatives on working conditions	Mega Financial Holding and union-appointed or labor-elected representatives will hold quarterly labor-management meetings to communicate about work environment and employee benefits (such as adjusting salaries to be align with military, public service, and education, increasing health checkups and maternity subsidies, and organizing employee trips) and related measures. If further discussions or adjustments are needed, the results and feasibility of the resolutions will be reported to the responsible supervisor for approval. At least 4 labor-engagement meetings have been held in 2024.
Routinely monitor the gender pay gap to achieve equal remuneration for men and women	• The salary standards of Mega Financial Holding are determined based on job levels and are not related to gender; salary increases for employees vary based on individual performance evaluations and are also not related to gender. • Calculate the gender pay gap annually, revealing the "average and median gender differences in employee salaries and bonuses" in the group's sustainability report; if the gender pay gap is found to require adjustment upon review, relevant measures will be proposed by each company to the Sustainability Development Committee, such as adjusting the human resource structure of the company. • The difference in the average and median gender pay gap for the year 2024 is 18.23% and 19.78% respectively, while the difference in the average and median gender bonus is 18.54% and 18.03% respectively. This indicates that the gender pay gap is not significant.
Expand social protection coverage for workers beyond public programs	• Provide fertility subsidies the highest allowance for the third child is NTD 180,000 and health check subsidies up to NTD20,000 that exceed regulatory requirements, and implement employee stock trust plans and other welfare systems. • Provide paid family care leave and maternity leave (42 working days), as well as paternity leave and accompanying leave for prenatal check-ups (8 days), which exceed the legal requirements. • Provide group insurance, and the application for benefits will not be offset, ensuring comprehensive care for employees.
Ensure employees are taking their paid annual leave entitlements	• The calculation of paid annual leave is done through the personnel system, and on January 1st of each year, employees are informed of their annual leave days for that year, which they can arrange themselves. • By managing performance bonuses through unit management, we encourage employees to take continuous leave, to implement internal control and leave delegation systems, and to ensure that employees have sufficient time for leisure activities, maintaining a balance between work and leisure.
Provide training or reskilling to mitigate negative effects of industrial or climate transition changes	• In response to the changes brought by the digital transformation of financial products, we arrange for colleagues to participate in external training courses related to digital transformation, such as the 2025 Securities Investment Trust and Consulting Association's GoProS training program - Innovation in Financial Markets and Digital Transformation module, and digital transformation * AI generation talent incentive activities, to enhance colleagues' knowledge and skills in digital transformation, thereby maintaining competitiveness. • Conducting irregular educational training courses on climate change risk management to enhance employees' knowledge and skills to mitigate the negative impacts of climate change. For example, hosting ESG seminars and training related to digital artificial intelligence.

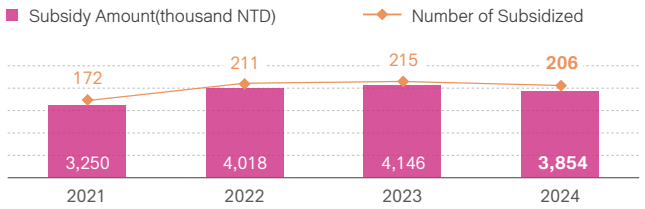
Provide Outstanding Employee Benefits

Blessings for Starting a Family

To respond to the Government's policy to encourage people to marry at a suitable age, Mega Financial Holdings and its subsidiaries provide a maximum marriage subsidy of NT$30,000 and up to 14 days of marriage leave to reduce the financial burden of employees who start a family. In 2024, a total of 206 people applied for marriage subsidies, with the subsidy amount exceeding NT$3.85 million.

- Provide marriage subsidies that are superior to statutory requirements
- Provide marriage leave that is superior to statutory requirements
- Organize or provide meet-up activities for single employees

Statistics on Marriage Subsidies

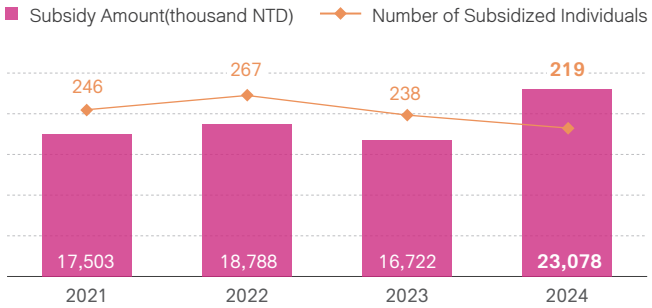


Support for Childbirth

To encourage employees to have peace of mind during pregnancy and to reduce the burden on employees during pregnancy, Mega Group provides "maternity leave" (42 working days) and "prenatal checkup leave and childbirth leave for accompanying spouse" (8 days) that are superior than the statutory requirements, allowing employees to accompany their spouse for prenatal checkups or childbirth.
In addition, starting from August 2023, Mega Financial Holding and Mega Bank have increased the childbirth subsidies to "NT$120,000 for the first child, NT$150,000 for the second child, and $180,000 for the third child or more", so that employees can take care of their families and careers without worrying about their future. Mega Securities provides pregnancy packs to female employees who reach six months of pregnancy and the male employee spouses. A newborn gift box is also presented after delivery, along with a greeting card from the chairman and president.

- Provide childbirth subsidies that are superior to statutory requirements
- Provide childbirth leave that is superior to statutory requirements
- Provide pregnant employees with health guidance and counseling services
- Proactively evaluate the working environment for pregnant women and adjusting the work content in a timely manner

Statistics on Childbirth Subsidies

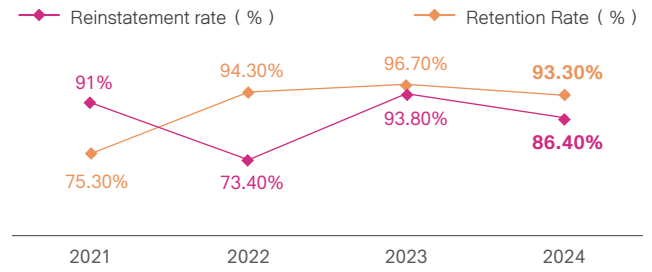


Support for Childcare

Mega Group has a complete system for parental leave. For employees who meet the relevant provisions of the "Act of Gender Equality in Employment", they can apply for parental leave without pay while retaining their job rights, ensuring that employees can maintain a balance between work and family. Paid parental leave is provided for a total of 24 weeks for parents whose children are under the age of 3, which is in line with the requirements of the law. In 2024, 276 individuals were entitled to parental leave and the actual number of employees who used parental leave was 114. (For detailed information on parental leave without pay, please refer to Appendix 9.1.2 Social Metric Data)

- Provide childcare subsidies that are superior to statutory requirements
- Provide childcare leave that is superior to statutory requirements
- Breastfeeding Rooms in the workplace
- Provide preferential and safe childcare services
- Organize workplace childcare health talks

Statistic on Rate of Reinstatement and Retention



Work-Life Balance	In accordance with the "Act of Gender Equality in Employment", Mega Group provides family care leave so that employees with family care needs can take care of both work and family. Furthermore, through various travel and leisure activities, such as organizing family days, club activities or staff trips, we relieve employees' work pressure and create a positive workplace environment. • Provide subsidies for travel and leisure activities • Provide meal allowances that is superior to statutory requirements • Provide leave that is superior to statutory requirements • Organize family days or employee trips • Provide employees with subsidies for club activities • Organize volunteer activities or provide volunteer leave
Flexible Work Hours	Mega Financial Holding employees may adjust their working hours to raise children under the age of three or to take care of family members. In line with the nature of certain businesses, Mega Bank and Mega Securities have established a flexible clock-in/out system, employees can apply to adjust their working hours with the consent of their unit supervisor. The noon shift for employees of Mega Bank can also be flexibly arranged by the unit supervisor according to the business situation. In addition, Mega Securities has also established the "Rules for Management of Part-time Duties of Business Personnel" to provide business personnel with the option of taking up part-time duties or holding part-time positions. In addition, if Mega Bank offers online training, employees can choose to receive online training at home. • Flexible Clock-in/out System • Part-time Job Options
Long-Term Incentive (LTI)	In order to motivate centripetal force, retain talents and take care of employees' retirement life, the board of directors of Mega Financial Holding has approved the group version of the employee stock ownership trust plan, which covers subsidiaries such as Mega Financial Holdings, Mega Banks, Mega Securities, Mega Bills, CKI, Mega Funds and AMC, to help employees plan their retirement life in advance and create a sense of belonging to the company. • Employee Stock Ownership Trusts

Retirement Life Protection

Mega Financial Holding has established the "Employee Retirement Regulations" in accordance with the "Labor Standards Act", "Labor Pension Act", and other applicable regulations to set up retirement plans for employees.

The Pension Contribution for Company Employees	The Pension System of the Labor Standards Act	The Pension System of the Labor Pension Act
Except for appointed managerial officers and those who are eligible under the "Labor Pension Act", employees' pensions shall be appropriated monthly at a rate determined based on the net pension cost of the year within 15% of the total salary to the reserve account under the supervision of the Supervisory Committee of Employee Retirement Reserve.	Employees' pension reserves are appropriated monthly at an actuarial rate. The Supervisory Committee of Labor' Retirement Reserve is set up according to the law to supervise the appropriation and application of the pension reserve.	The Company shall contribute monthly an amount based on 6% of the employees' monthly salary to the employees' individual pension account with the Bureau of Labor Insurance.

7.3.2 Occupational Health and Safety

OHS Management Structure

To establish a safe and healthy workplace environment, as well as promote a friendly workplace, actively prevent accidents from occurring, and enhance the occupational safety awareness of the Group's employees and business partners, Mega Financial Holding announced the "Occupational Safety and Health Declaration" in 2023 and established the Group's Occupational Safety and Health Policy in 2025. In addition, key performance indicators are set for the Group's occupational safety and health management, and the employee care team tracks the management achievement on a quarterly basis and reports to Mega Financial Holding's Sustainable Development Committee.

Mega Group Occupational Safety and Health Management Key Performance Indicators (KPIs)

Key Performance Indicators	2024 Achievement Status
• Employee absentee rate does not exceed 0.56%.	• Employee absentee rate was 0.37%, which has reached the target.
• Reinstatement and retention rate after unpaid child care leave to reach 90%.	• The reinstatement and retention rate after unpaid child care leave was 93.8%, which has reached the target.
• Organize at least 15 sessions of health talks or health promotion activities.	• 29 sessions of health talks or health promotion activities have been organized, which has reached the target.

Mega Group has set up safety and health units and personnel according to the size of its subsidiaries. The subsidiaries Mega Bank and Mega Securities successively introduced the ISO 45001 occupational health and safety (OHS) management system in 2022 and 2023, and established an Occupational Safety and Health Committee to establish OHS policies, objectives and management systems, and implement internal audits and management. For details on Mega Securities' OHS management achievements, please refer to Mega Securities' 2024 Sustainability Report.

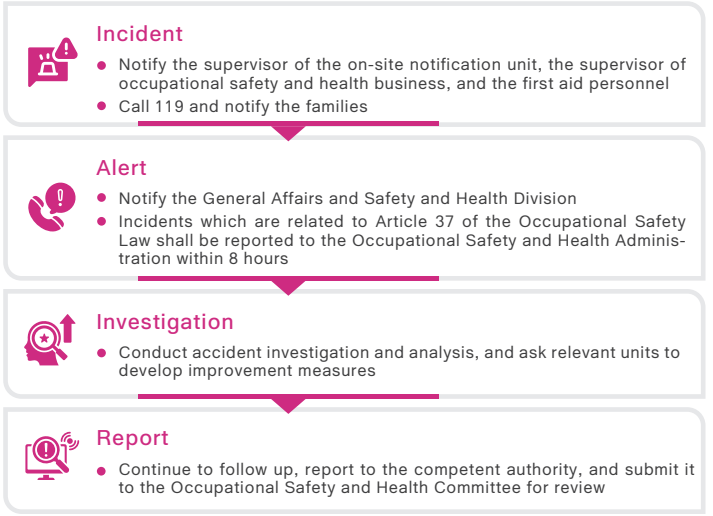
For non-employee workers (including contract workers and contractors), in addition to informing contractors of the working environment and potential hazards at the construction site, Mega Bank must specify in the contract that the contractor shall comply with Mega Bank's relevant OHS management regulations according to the "Contractor Management Procedures of Mega Bank", and sign a contractor hazard notification confirmation and safety and health agreement. Mega Securities has also established the "Occupational Health and Safety Standards for the Operating Environment of Mega Securities Co., Ltd. and Contractors for Various Business Undertakings", which states in the contract that the contractor shall comply with Mega Bank's relevant OHS management regulations, and sign a contractor hazard notification confirmation and safety and health agreement.

Adoption of ISO45001 Occupational Health and Safety Management System of Mega Group in 2024

Subsidiaries	Mega Bank	Mega Securities
Certificate Validity Period	2022.6.17 to 2025.6.16	2023.2.1 to 2026.1.31
Scope	Full-time employees of Mega Chi-Lin Building and dispatched contract workers	Full-time staff of Mega Securities Building
Occupational Health and Safety (OHS) Committee Composition	• The executive vice president of the general affairs and the safety and health unit serves as the chairperson of the committee, six members from management (HR, Safety and Health, and relevant business units), and three members from the union (accounting for 33% of the total members).	• The president manager serves as the convener, management side includes 14 people from the Human Resources Department and the Administrative Management Department, and 4 union representatives (accounting for 22% of the committee members).
Frequency	• In principle, meetings will be convened once a quarter, with a total of five meetings convened in 2024.	• A total of 3 meetings were held in 2024.

Occupational Health and Safety Accident Reporting and Investigation Process

Mega Bank has set up an occupational accident notification system on its website, where the targets of notification are bank employees, service personnel, security personnel, kitchen staff, and other personnel who are under the direction and supervision of the person in charge of the work site and are engaged in labor. If it is a fatal accident as stipulated in Article 37 of the Occupational Safety and Health Act, with more than three casualties, or more than one casualty requiring hospitalization, the General Affairs and Safety and Health Division's Labor Safety Section shall immediately initiate an accident investigation mechanism. The OHS supervisor of the unit where the accident occurred shall proactively report it to the local labor inspection agency within eight hours (however, if the accident occurs during commuting and results in hospitalization, there is no need to report it to the local labor inspection agency). In addition, false alarm incidents (those that did not cause casualties, property damage, or process interruption) and incidents that caused disturbance still need to be reported to facilitate statistics and analysis.

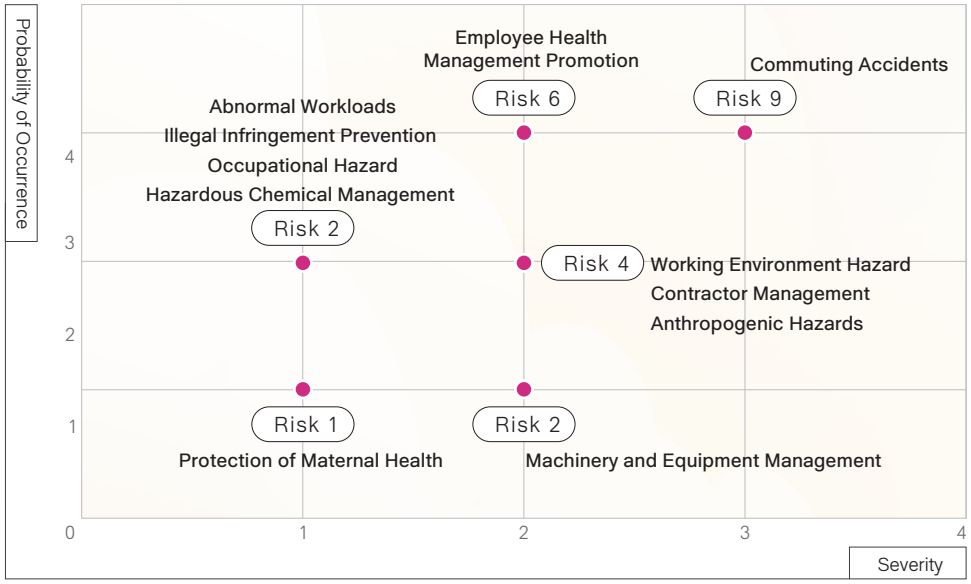


OHS Risk Assessment and Improvement Plan

To effectively control OHS risks, Mega Bank formulates an Occupational Safety and Health Management Plan annually and submits it to the Occupational Safety and Health Committee, and the results are published on Mega Bank's official website. In addition, workplace carbon dioxide and lighting inspections are conducted biannually at all business locations nationwide in accordance with regulatory requirements, and the results are all in compliance with the "Occupational Safety and Health Act".

In accordance with the ISO 45001 OHS management system, Mega Bank listed a total of 11 possible low, medium and high risk levels through risk and opportunity assessment management in 2024. Two major medium-risk solutions for prioritized optimization management were selected (respectively "Promotion of Employee Health Management" and "Commuting Accidents"), and the relevant management measures were taken in order to control and reduce the risk level.

The Risk Management for Occupational Health and Safety of Mega Bank



Mega Bank 2024 OHS Risk Management Plan

Medium Risk Items	Management Plan	
Employee health management promotion	Potential Risks	• Abnormal health examination reports not handled, causing damage to employees' health • Emergency medical situation at work • Employees' work time loss due to health reasons
	Management Plan	• Provide each employee with a subsidy and time limits for health checkups that is superior than the legal requirements • Set up medical offices and specialized management units to manage employees' health • Installation of AEDs in branches and regular training to prevent emergencies • Organize health promotion activities regularly
Commuting accidents	Potential Risks	• Employees' health and work time loss due to accidents
	Management Plan	• Engineering Control: Through the automatic inspection system, each branch is required to conduct regular inspection, maintenance and repair of vehicles to ensure the normal use of official vehicles. When an accident occurs, the accident reporting system is used to assist the unit where the accident occurred to avoid violating the reporting regulations, and preventive measures are taken after statistics and analysis. • Administrative Control: Sign contracts with qualified rental vehicle manufacturers to maintain the vehicles in optimal condition. Regularly hold traffic safety lectures, which are not only for general employees but also for driver safety and health training; Provide health care to employees involved in accidents, assist with claiming related insurance, and apply for work-related injury leave.

Occupational Health and Safety (OHS) Related Measures and Training

To avoid emergency situations, Mega Group established OHS management measures, including equipping all office locations in Taiwan with automated external defibrillator (AED). Fire and disaster prevention training courses with hands-on practices are organized every six months to strengthen employees' ability to handle emergencies and disasters. In 2024, Mega Group was not subject to penalties for violation of the "Occupational Safety and Health Act", and no fire incidents occurred.

Mega Group OHS Management Measures

Management Measures		Mega Financial Holding	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	AMC
Emergency Devices and Equipment	Provide Automated External Defibrillators (AED) in the Workplace		●	●	●	●		
	Provide First Aid Supplies and Devices	●	●	●	●	●	●	●
	Provide Fire and Disaster Prevention Equipment	●	●	●	●	●	●	●
Safety Protection Drill	Conduct Fire and Disaster Prevention Drills	●	●	●	●	●	●	●
Occupational Health and Safety (OHS) Management System	Pass the ISO 45001 OHS Management System Verification		●	●				

In response to the "Occupational Safety and Health Act" of Taiwan, Mega Group promotes various OHS training programs, including training for OHS business supervisors, fire prevention management personnel, and emergency medical personnel, to ensure workplace safety. Furthermore, Mega Bank organizes security corps in accordance with requirements of the National Fire Agency, Ministry of the Interior to take charge of information delivery, alarms, protection, rescue, fire safety, self-defense, and assistance in disaster relief. For this reason, we assign each office building with security personnel or security guards, and sets up a 24-hour surveillance system to control personnel access and handle emergencies. Mega Bank also requires the security company to organize training courses for security personnel every year according to contract to prevent emergency and disaster incidents. In 2024, all security personnel completed relevant training courses on safety and defense capabilities, emergency handling, and human rights.

Mega Group OHS-related Training Results

Year	2021		2022		2023		2024	
Item	Number of Employees	Total Hours	Number of Employees	Total Hours	Number of Employees	Total Hours	Number of Employees	Total Hours
Training for OHS Supervisor	52	1,203	49	1,191	308	4,013	45	1,176
Fire Prevention Personnel Retraining	195	1,518	242	2,862	223	1,344	43	420
First Aid Personnel Training	63	924	264	1,166	60	485	46	385
ISO 45001 Management System Training	–	–	–	–	23	78	4	24
General Employees (3 hours of statutory in-service OHS training every 3 years)	–	–	–	–	7,715	8,249	8,995	8,476

Fire Hydrant Operation Exercise



Automated External Defibrillators (AED) Training



Fire Extinguisher Usage Drills



Health Promotion and Safe Workplace

To prevent the health of employees from being affected by the stress of modern life or work, Mega Group actively promotes the physical and mental health of employees by employing professional nursing staff and providing regular on-site services by resident doctors, providing subsidies for health examinations, and applying for Employee Assistance Program (EAP).

Workplace Health Promotion Programs of Mega Group

Program	Description	Performance in 2024
Regular Health Examinations	Mega Group has contracted with several medical institutions to provide employees with regular health examinations that are superior to the law and allow employees to apply for work leave. Health examinations for elderly employees are arranged periodically every year, while younger employees are subjected to regular health examinations every two or three years, depending on the subsidiary's regulations. Mega Bank also reminds its employees of their medical checkups through the Health Check Personnel System, and collects health examinations information and imports it into the Company's health management system. Those with abnormal health examination data will be classified into risk levels according to their severity, and medical-related recommendations will be given through on-site visits/health services and doctor's on-site services. The system will also be used to track and manage the health examination data to prevent the occurrence of diseases among employees as early as possible.	• Health examinations received by 5,039 individuals. • Subsidy for health examinations was NT$48.02 million.(For detailed health examinations statistics, please refer to 9.1.2 Social Metric Data
Employee Care Hotline	Starting in 2019, Mega Group has been contracting professional psychological counseling agencies every year to provide employee psychological counseling services. Employees can seek professional counseling services from a psychologist through an 0800 hot-line, email consultation, or one-on-one individual meetings, to vent, communicate, and solve problems.	• A total of 66 consultations were made through the 0800 hot-line and email consultation. • There were 41 cases of one-on-one individual meetings. • The main counseling topics include workplace stress, relationships with partners and family, and parent-child relationships.
Professional Medical Counseling	As Mega Bank has a larger number of employees, it has a clinic, and both Mega Bank and Mega Securities hire full-time nurses. It also provides on-site medical services from resident doctors, including employee health consultations, simple injury and illness treatment, emergency medical treatment, and employee protection plans. Mega Bank and Mega Securities regularly invite doctors and nurses to provide on-site health consultation services for employees.	• Mega Bank's medical offices or on-site physicians consultation provided service to a total of 1,286 employees, and monthly branch clinical visits were conducted, with a total of 12 branches nationwide visited and 63 interviews conducted. • Mega Securities has an average of 14 individuals receiving on-site health consultations. • The total number of on-site health services at Mega Securities include 3 visits by doctors and 32 visits by nurses, and health service follow-up tracking for 22 individuals.
Continuous Environmental Check	Carbon dioxide testing is carried out regularly in accordance with the law to maintain a safe workplace for employees and ensure indoor air quality.	• Mega Bank has 105 workplaces where regular carbon dioxide testing is conducted twice a year (every six months), and all meet the legal requirements. • Mega Securities performed regular workplace environmental monitoring twice, and all meet the legal requirements.

Workplace Health Promotion Programs of Mega Group

Management Measures		Mega Financial Holding	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	AMC
Health Promotion	Health Talks		●	●	●	●	●	●
	Health Examination	●	●	●	●	●	●	●
	Workplace Flu Vaccination	●	●					
	Psychological Consultation (EAP)	●	●	●	●	●	●	●
	Fitness Activity		●	●			●	
	Healthy Diet		●		●			
	Employee Health Insurance	●	●		●	●	●	

Workplace Health Promotion Programs of Mega Group

Management Measures		Mega Financial Holding	Mega Bank	Mega Securities	Mega Bills	CKI	Mega Funds	AMC
Safe Workplace	Breastfeeding Rooms		●	●	●	●	●	
	Smoke-free Workplace	●	●	●	●	●	●	●
	Accessible Facilities		●	●	●	●	●	●
	Workplace Inspection	●	●	●	●		●	
	Health Service Provided by an In-house Physician or Onsite Consultation Services	●	●	●	●	●	●	
	In-house Nurse		●	●		●	●	

★ Case Study



Mega Bank Hosting Weight Control Classes

Mega Bank analyzed the results of the health examinations and found that most of its employees were overweight and had hyperlipidemia. Since 2015, Mega Bank has included additional budgets in its safety and health funds to organize weight control classes. The weight control class lasts for six weeks. To encourage employee participation, we hire professional nutritionists and sports coaches to teach knowledge and skills, and provide healthy meal boxes and participation prizes. In the first and second half of 2024, a total of 4 weight control classes were held in the northern, central and southern Taiwan, with a total of 216 participants and a weight loss of 76 kilograms.

7.3.3 Occupational Disaster Prevention

Four Protection Plans

The four major protection plans specified by Taiwan's “Occupational Safety and Health Act” (prevention of ergonomic hazards, prevention of ailments induced by exceptional workloads, prevention of unlawful infringement in the performance of duties, and maternal health protection) are identified and risk assessed through a digital learning platform using questionnaires or on-site inspections conducted by the Mega Group.

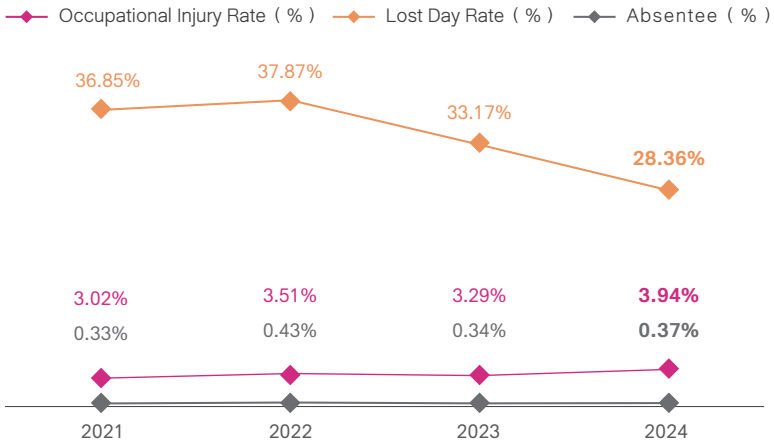
Four Protection Plans	Execution Results: Mega Bank	Execution Results: Mega Securities
Measures to Prevent Ergonomic Hazards Measures to Prevent Brain and Cardiovascular Diseases Induced by Exceptional Workload	• In November 2023, 5,903 valid questionnaires from the Musculoskeletal Symptom Questionnaire Survey were recovered. • In 2024, statistical analysis was conducted to target high-risk groups, and through care from medical staff or monthly on-site services, on-site promotion was provided to improve employees' poor sitting postures and the placement of computer equipment. • In October 2024, the on-the-job training of employees included a musculoskeletal hazard prevention class, with a total of 6,007 participants.	• A 10-minutes stretching exercise was planned to be conducted every working day, with a total of 1,563 beneficiaries in 2024 • In 2024, 1,312 questionnaires from the Musculoskeletal Symptom Survey were recovered. • In 2024, employee training included ergonomic hazard prevention courses, with a total of 1,559 beneficiaries.
Measures to Prevent Ailments Induced by Exceptional Workload Preventing Musculoskeletal Injuries Caused by Work Environment and Processes	• In 2024, 80 Questionnaire Survey on Abnormal Workloads Hazards and Risks were recovered.	• In 2024, 1,312 valid Questionnaire Survey on Abnormal Workloads Hazards and Risks were completed.
Measures to Prevent Illegal Infringement in the Performance of Duties Preventing Illegal Physical/Mental Infringement in the Performance of Duties	• In 2024, we completed for 142 units the environmental inspection of illegal infringement in the performance of duties, the inspection of workplace suitability and work design, the identification of workplace hazards, risk assessment, and the signing of a self-inspection statement on illegal infringement in the performance of duties by the supervisors of each unit.	• In 2024, 1,312 valid responses from the Questionnaire Survey on Unlawful Infringement in the Performance of Duties were recovered. • In 2024, the employee training included courses on preventing illegal infringement in the performance of duties, with a total of 1,559 beneficiaries.
Maternal Health Protection Ensuring the Physical and Mental Health of Pregnant, Postpartum, and Breastfeeding Female Employees	• In 2024, a total of 160 pregnant and childbearing maternal employees received care.	• In 2024, a total of 21 pregnant and postpartum female employees and spouses of male employees received care.

Occupational Injury

In 2024, the occupational injury rate for Mega Group employees was 3.94%, an increase of 0.65% from 2023. The day loss rate was 28.36%, a decrease of 4.81% from 2023, and no incidents of contractors being injured in the workplace occurred. However, in 2024, there was one fatal accident involving an employee on a business trip during commuting, and Mega Group also stepped up traffic safety promotion for the employees.

For employees who are injured while performing their job duties or while commuting to and from work, Mega Group initiates an event investigation mechanism to proactively investigate the causes and provides health care support. Depending on the circumstances of the injury, the Group will assist in applying for occupational injury and illness outpatient, hospitalization, injury and illness, and disability benefits in accordance with the relevant labor insurance regulations, and grant sick leave for occupational injury. After the incident, nurses are responsible for monitoring the employee's health condition, analyzing and statistically summarizing the cause of the accident, proposing preventive and improvement measures, and ensuring that the affected employee feels the Company's care and support. (For detailed statistics on occupational injuries, please refer to 9.1.2 Social Metric Data).

Occupational Injury Related Statistics



7.4 Human Rights Protection

To safeguard the fundamental human rights of employees, suppliers, business partners, and other stakeholders, Mega Group has established human rights policies in accordance with relevant standards such as the "Universal Declaration of Human Rights", the "UN Global Compact", the "International Labour Organization (ILO)", and the United Nations "Guiding Principles on Business and Human Rights". The Group is committed to creating a friendly workplace with diversity and equality and promoting sustainable development of the society.

STEP 1

Human Rights Due Diligence

Continuously monitors international human rights trends and establishes a human rights risk due diligence process to assess its own operations, value chain, and new business relationships (such as mergers and joint ventures) to investigate whether there are any human rights-related risks and effectively eliminate potential human rights impacts.

STEP 2

Human Rights Risk Assessment and Improvement

Formulate mitigation and improvement measures for any significant human rights risks that we identified, and provide remediation for risks that cannot be completely eliminated.

STEP 3

Human Rights Awareness-raising and Training

Continue to promote employee rights education and training, and deepen employee rights awareness and understanding of their rights and channels of redress.

Human Rights Policy

7.4.1 Human Rights Due Diligence

To implement human rights risk management, Mega Group has established a human rights due diligence investigation process in its Human Rights Policy, taking the ILO core human rights social policies into account. The Group regularly reviews its human rights risks, continuously tracks international human rights trends, analyzes human rights issues of concern to sustainable rating agencies, selects important human rights issues as the main evaluation items, and designates "Employees" and "Key Suppliers" as the main investigation targets, with corresponding assessment mechanisms. For human rights issues identified as having high risks, relevant mitigation and remediation measures have been developed and the effectiveness of improvement efforts is continuously monitored.

Human Rights Due Diligence Process

Plan	Do	Check	Action
Compilation of Human Rights Issues	**Identification of Human Rights Risks**	**Verification of Identification Results**	**Risk Mitigation and Remediation**
Refer to international trends, sustainable ratings, and industry information to collect relevant human rights issues for different investigation targets, and design investigation questionnaires.	Evaluate its operations, value chain, and new business relationships (such as mergers and joint ventures) annually to identify potential human rights risks.	Review high-risk human rights issues in its operations and re-examine suppliers' self-assessment results. The above results will be reported to the Sustainable Development Committee.	Develop mitigation and remediation measures based on the risks identified, and flexibly adjust the investigation process and improvement measures while tracking the coverage and improvement rate of the measures.

Plan | Compilation of Human Rights Issues

Scope	Subject	Policy	Potential Human Rights Issues	Group at Risk of Human Rights Violation	Assessment Method
Operations	Employees	• "Human Rights Policy" of Mega Financial Holding • "Anti-Discrimination and Anti-Harassment Guidelines" of Mega Financial Holding	Maternity protection, workplace inclusion and gender equality (including equal pay for equal work), OHS, overtime work, privacy, freedom of association and collective bargaining, discrimination, and sexual harassment	• Employees • Women • Indigenous Peoples	Human Rights Due Diligence

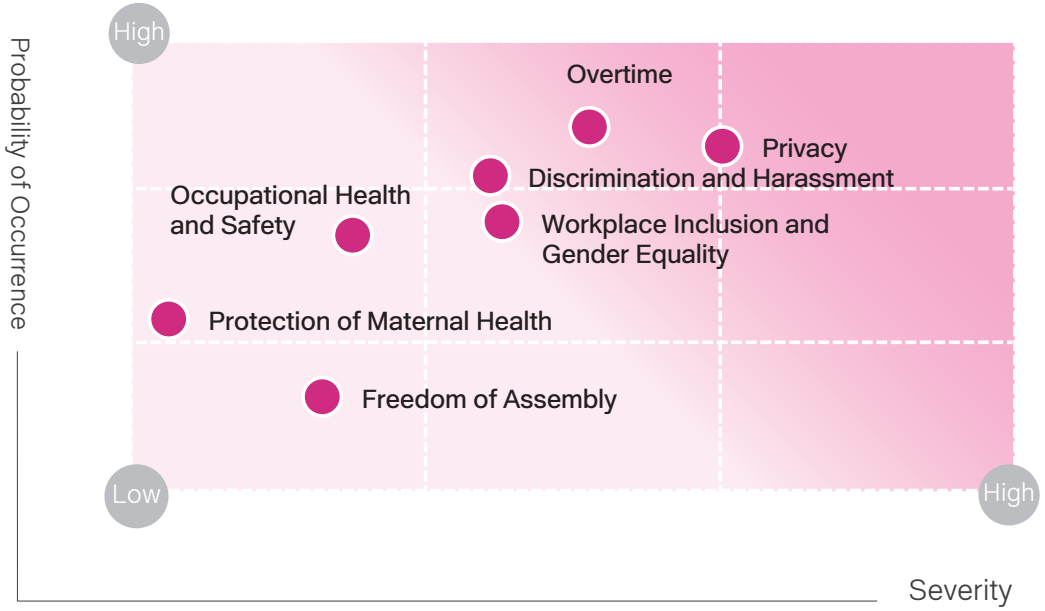
Scope	Subject	Policy	Potential Human Rights Issues	Group at Risk of Human Rights Violation	Assessment Method
Value Chain	Suppliers	• "Human Rights Policy" of Mega Financial Holding • "Anti-Discrimination and Anti-Harassment Guidelines" of Mega Financial Holding • "Supplier Sustainability Management Guidelines" of Mega Financial Holding	Child labor, discrimination, forced labor, human trafficking, equal pay for equal work, freedom of association, right to collective agreement, OHS, personal data protection and privacy	• Children • Women • Indigenous Peoples • Migrant Workers • Third Party Workers	Supplier Sustainable Development Self-Assessment Questionnaire
New Business Relations	Business Partners	• "Human Rights Policy" of Mega Financial Holding • "Anti-Discrimination and Anti-Harassment Guidelines" of Mega Financial Holding	Discrimination, forced labor, child labor, human trafficking, OHS, freedom of association, privacy right	• Children • Women • Indigenous Peoples • Migrant Workers • Third Party Workers	Human Rights Due Diligence

Note : The Group did not establish new business relations (e.g., merger and acquisition, joint venture, etc.) in 2024 and therefore did not conduct human rights due diligence on this aspect.

Do | Identification of Human Rights Risks

• Human Rights Assessment Risk Matrix

In 2024, Mega Group conducted human rights due diligence on all of its employees in accordance with the probability and severity of each human rights issue. It identified "Privacy Rights", "Overtime Work", "Discrimination and Harassment", "Workplace Inclusion and Gender Equality", and "Occupational Health and Safety" as high human rights risks (main human rights risk factors) for the Group and drew up a human rights risk matrix.



• Assessment of Suppliers' Human Rights Risks

Mega Group also requires 100% of its suppliers to sign a sustainability declaration committing to abide by internationally recognized basic labor human rights through its "Supplier Sustainability Management Guidelines". In 2024, the main human rights risk factors for all critical suppliers surveyed included labor rights and human rights, as well as occupational health and safety. In addition, the Group used the "Labor Law Violation Inquiry System for Business Units (Employers)" of the Ministry of Labor to check whether suppliers have violated the "Labor Standards Act", "Act of Gender Equality in Employment", "Occupational Safety and Health Act", and "Act for Protecting Worker of Occupational Accidents". (For the Supplier Sustainability Self-Assessment Questionnaire, please refer to 4.4.1 Supply Chain Management)

Check & Action | Verification of identification Results and Risk Mitigation and Remediation

Subject	Overall Risks Ratio (%)	Main Risk Factor	Risks Ratio (%)	Mitigation Measures	Remediation Measures	Implementation Ratio of Mitigation and Remediation Measures
Employees	0.7%	Privacy	0%	• Employees sign a confidentiality statement and clearly understand their confidentiality obligations. • Regularly organize personal data protection training and awareness-raising campaigns.	• Personal information protection education training and promotion are held regularly.	100%
		Overtime	0.01%	• Remind employees, via announcements or emails, about attendance matters for the month. • Verbally and systematically remind employees of the time off work, and instruct them to apply in advance for a 30-minute break if necessary to extend their working hours. • Remind supervisors to properly assign work and to advise employees to leave if they are not required to work overtime in office premises.	• Provide overtime compensation and overtime pay every year according to the law. • Review the department's overtime situation every month and take the initiative to pay extra attention to the work status of employees who often work overtime.	
		Discrimination and Harassment	0.04%	• Establish sexual harassment related prevention and control laws and procedures for handling complaints. • Conduct anti-discrimination and anti-harassment education training, or promote in public areas (e.g., pantries, bulletin boards, etc.).	• Handle harassment complaints.	
		Workplace Safety and Gender Equality	0%	• Formulate Employee Diversity and Equal Opportunity regulations. • Organize regular training on workplace inclusion and gender equality, or place announcements in public areas.	• Set up Employee Grievance Channels • Recruit a certain percentage of disadvantaged groups (including people with disabilities and Indigenous people) in accordance with the law	
		Occupational Health and Safety (OHS)	0.65%	• Provide first aid kits, AEDs, and other medical equipment, as well as subsidized medical examinations and on-site medical care/resident physician programs. • Organize OHS-related education and training. • Regularly test the quality of the workplace environment	• Provide employees with regular health examinations or health check-up subsidies • Tracking of health status of medical and resident staff. • Through employee engagement surveys and psychological counseling programs, understand employees' thoughts and make appropriate adjustments.	
Suppliers	6.2%	Labor Rights and Human Rights	5.2%	• Continue to sign the "Supplier Sustainability Statement" with suppliers and comply with the Group's Human Rights Policy. • Track the status of labor and environmental safety-related regulations and penalties of suppliers. • Commission external professional agencies to conduct comprehensive investigations (including supplier visits, communication meetings, etc.).	• Require suppliers to correct deficiencies based on self-assessment results. • Hold annual supplier meetings and provide related education and training to promote the concept of corporate sustainability.	100%
		Occupational Health and Safety (OHS)	1.0%			

Note 1: Employee human rights risk ratio (%) = Number of employees affected by risk events / total number of employees x 100%.

Note 2: Supplier risk ratio (%) = Number of critical suppliers subject to penalties according to labor or environmental safety-related regulations/total critical suppliers x 100%.

Note 3: Key suppliers of Mega Group are defined as suppliers with a single or cumulative transaction amount NT$1.5 million or more in the previous year and with whom the Group has frequent dealings.

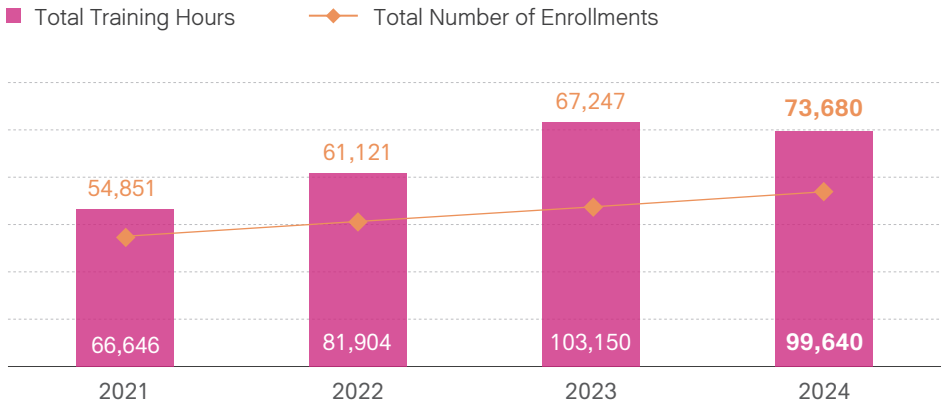
Note 4: Mega Group's employee rights risk mitigation and compensation measures cover 100% of the 234 domestic and overseas operating locations.

7.4.2 Human Rights Risk Management

Advocacy and Education Training on Human Rights

Mega Group continues to provide human rights education and training to all full-time employees of the Group every year. The courses include Personal Data Protection Act, ethical management education and training, employee confidentiality education and training, theory and practice of fair treatment principles in the financial industry, general employee safety and health education and training, and Act of Gender Equality in Employment. In 2024, the Group recorded 73,680 people attending human rights related courses, for a total 58,614 hours of training, an increase of 9.6% compared to 2023. The total training hours reached 99,640 hours, a decrease of 3.4% from 2023.

Statistics of Mega Group's Human Rights Related Course Training over the Years



Human Rights Promotion and Protection

- Avoiding Forced or Compulsory Labor

In accordance with the "Labor Standards Act", Mega Group, does not force employees to work beyond normal working hours due to health or other legitimate reasons. In 2024, the Group had 1 violation of the Labor Standards Act, in which the employer withheld the worker's wages in advance as compensation. Subsequently, we have complied with labor laws, optimized the personnel management system, ensured the correctness of operations, and built a high-quality and good working environment to protect labor rights.

- Promotion of Gender Equality

To promote maternal health protection, Mega Group follows the provisions of the "Act of Gender Equality in Employment" and provides maternity leave for childbirth and breastfeeding rooms for female employees, and the employee can apply for parental leave for each child until the child reaches the age of three and retains 100% employment rights. For maternity benefits, please refer to 7.3.1 Remuneration and Benefits)

To promote and implement gender equality, Mega Group has established the "Anti-Discrimination and Anti-Harassment Guidelines" in accordance with the ILO, and has also established the "Measures for Prevention, Complaint and Disciplinary Action for Sexual Harassment in the Workplace," and posted the relevant points and complaint channels in the office area to ensure that employees are even more aware of the prevention and response to illegal workplace abuse. To foster gender awareness among the employees, Mega Financial Holding and the Modern Women's Foundation organized a workshop on "Creating a Gender-Friendly Workplace" and a lecture on "Becoming Gender Equal Teammates Together". Through role-playing, they shared topics such as breaking gender bias, preventing sexual harassment, and gender diversity to build a friendly workplace. In 2024, Mega Group received a total of five reports of harassment (including sexual harassment, discrimination, verbal violence, etc.), all of which were closed according to internal reports and after investigation, and there was no violation of the regulations and penalties of relevant competent authorities.

Anti-Discrimination and Anti-Harassment Guidelines

Mega Bills Gender Equality Video "Mega Happiness Regardless of Gender"

- Preventing Illegal Infringement at the Workplace

To build a friendly workplace and avoid illegal incidents such as workplace bullying, Mega Financial Holding and its subsidiaries have set up dedicated complaint hotlines or email to handle cases in accordance with internal procedures. Taking Mega Bank as an example, in cases of suspected illegal workplace harassment, if it is an external illegal harassment incident, the responsible supervisor of the unit should handle it appropriately depending on the nature and severity of the incident. If necessary, the police can be sought for investigation and handling, and the company will provide relevant legal assistance to the victimized workers. If it is an internal illegal harassment,

the Labor Safety Section will convene the OHS supervisor (or designated personnel of the unit) of the unit where the incident occurred and the representative appointed by the labor union, and initiate an investigation and handle the matter based on the principles of confidentiality, objectivity and fairness. After the investigation is completed, the investigation data will be submitted by the Labor Safety Section of the General Affairs Office to the Occupational Safety and Health Committee for review. After review and approval, the meeting minutes of the case will be forwarded to the Human Resources Department, which will handle it in accordance with Mega Bank's "Employee Work Rules", "Guidelines on Rewards and Penalties for Bank Personnel", and other relevant regulations. In 2024, Mega Group received a total of 12 reports of illegal workplace harassment, all of which have been handled in accordance with relevant internal procedures.

- Collective Agreement and Negotiation

To promote labor-management harmony, enhance business development and protect the labor rights of employees, Mega Group has established collective agreements for larger subsidiaries such as Mega Bank, which stipulate labor conditions on issues such as wages, working hours, leave, employment, transfer and dismissal, retirement and pension, health and safety. Although other smaller subsidiaries have not established labor unions, employees' rights are protected by labor-related laws and regulations. To secure the employees' right to work, the Group has informed the employees in advance of any unit establishment, relocation or downsize and merge. If the change of business nature results in no suitable jobs for the employee, or the employee is incompetent in taking up the job, and the Group will notify the employee at least 10~30 days in advance to terminate the labor contract according to the "Labor Standards Act".

The Labor Union of Mega Group is composed of employees, with the General Assembly of Members (Representatives) as the highest governing body. Directors (Supervisors) will be appointed to form the Board of Directors (Supervisors). Member (Representative) meetings are held at least once every year, and meetings of the Board of Directors (Supervisors) are held at least once every 3 months. The total number of employees participating in labor unions is 6,674, accounting for 68% of the Group's total number of active employees at the end of 2024.

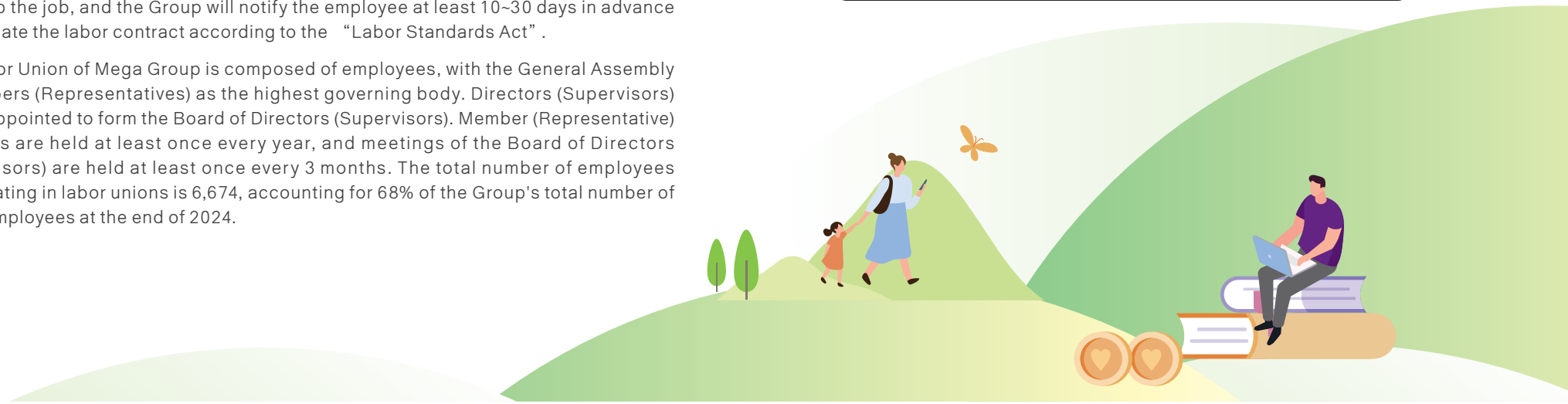
Each company in Mega Group regularly holds labor-management meetings with labor unions and labor representatives to exchange views on various issues and fully communicate with each other. They also strengthen the stability of labor-management relations through other communication platforms, such as setting up a labor union section on the company's intranet website and occasional discussions with labor union managers and supervisors.

Union Participation Rate of the Group's Employees(%)

68%

Number of Labor-management Meetings in 2024

30





8 Social Prosperity

8.1 Financial Education
8.2 Social Commitment

- Invested over NT$87 million resources in social inclusion strategies
- Financial literacy promotion interaction/ attendance reached 35,180 participants
- More than 920 employees volunteered in charitable activities, spending over 3,822 hours on volunteering services
- Supported government policies on industry – academic cooperation programs by providing internship opportunities to 243 students

Material Topics of GRI Standards

GRI 413: Local Communities

Corresponding Material Topics

Social Commitment

Targeted Stakeholders

Communities, Academic Institutions and Non-Profit Organizations

Mega Group adheres to the principle of "taken from society, giving back to society" and actively participates in various social welfare activities. Through the resources and strength of the Mega Charity Foundation, Mega Bank C&E Foundation and our subsidiaries, we provide more care and assistance for education, sports, arts and culture, and disadvantaged groups. It combines financial institution business to expand the use of corporate core capabilities, interact with society, and spread love to every corner.

Social Inclusion Operating Structure

Mega Group's mission is to create a financial sector that makes an all-around positive impact. In addition to promoting economic development, the Group also hopes to fulfill its functions in the financial industry and and to promote social prosperity as a sustainable strategy for society. After analyzing the risks or opportunities in the community, the Group has updated the four main axes of social prosperity for the Group at the end of 2024, namely "Financial Education", "Caring for the Disadvantaged", "Cultural Heritage", and "Environmental Sustainability". At the same time, it responds to the United Nations Sustainable Development Goals (SDGs) to make a positive impact. In 2024, Mega Bank and CKI won the "Best Social Responsibility Award" in the "Faith, Hope, and Love Awards of Insurance" for consecutive years, demonstrating that their achievements in social inclusion is recognized by all sectors.

To implement the four pillars of social prosperity of the Mega Group, we provide care and assistance to the disadvantaged groups in society through the resources and strength of the Mega Charity Foundation under Mega Holdings, the Mega Bank C&E Foundation under Mega Bank, and our subsidiaries, in the areas of financial education, care for the disadvantaged, sports and arts support, and social welfare. In 2024, Mega Group invested about NT$77 million in various public welfare activities, with the participation of 920 volunteers and 3,822 hours of volunteer service, spreading love and care to every corner.



Axes and Performance of the Social Prosperity Strategy

Mutual Prosperity in Society Strategic Axis	Link to SDGs	Communities Risks and Commercial Opportunities	Business Benefits and KPIs	Mega Group Social Inclusion Initiatives and Impact	Social/Environmental Benefits and Implementation Results
Financial Education	4 QUALITY EDUCATION	• Enhance financial professional human resources through internship/work-study opportunities and organize visits for college/university students to attract potential talents to join the Group's services. • Enhance the financial literacy of the public by promoting financial literacy seminars or sponsoring/organizing related activities. • Protect the rights of the disadvantaged in the use of financial services and promote financial literacy.	Cultivation of potential finance talents; strengthened social recognition and brand image; and increased opportunities to engage with potential talents/customers: • 243 university students had interned/worked part-time at Mega • 229 news articles published • 1,048 events sponsored/ organized • 118,881 participants in sponsored/ organized events	• Improve the financial literacy of citizens • Provide disadvantaged groups the opportunity to gain/access financial knowledge/education • Cultivate potential finance talents	Improved the financial knowledge of citizens, and achieved SDG 4.4: substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship: • Financial literacy promotion interaction/attendance reached 35,180 people • There were 9,192 disadvantaged people in the promotion of financial inclusion knowledge • 30 students received scholarships • NT$2,600,000 in scholarship donated

Mutual Prosperity in Society Strategic Axis	Link to SDGs	Communities Risks and Commercial Opportunities	Business Benefits and KPIs	Mega Group Social Inclusion Initiatives and Impact	Social/Environmental Benefits and Implementation Results
Caring for the Disadvantaged		• Mega launches micro-insurance and provide micro-insurance premiums to economically disadvantaged individuals to diversify the customer base and increase the visibility of financial products. • We organize a number of sponsorships and activities for the disadvantaged, and we also cooperate with external organizations to establish educational volunteer cooperation programs, as to enhance corporate brand image and customer recognition. • Mega Group provides volunteer leave for employees who participate in activities to enhance internal solidarity and Group identity.	We will make good use of the financial industry resources to help the disadvantaged groups in society, enhance social recognition and brand image, and increase the contact opportunities of potential talents/clients. Increased employee recognition and solidarity when employees volunteer in charitable activities. • 50 news articles published • 27 events sponsored/ organized • 558 employees volunteered, totaling 567 hours of volunteer work • Microinsurance donations amounted to NT$1,234,696 • 32,640 social welfare cards (Hiyes co-branded card CTCI/ECOVE affinity card) issued (Note).	• Develop financial inclusion to ensure that disadvantaged individuals enjoy the right to financial services. • Provide necessary resources and assistance to disadvantaged individuals.	To achieve SDG 1.4: ensuring that everyone, in particular the poor and the vulnerable, have equal rights to economic resources, Mega Group ensures that everyone has equal access to basic financial services through inclusive finance, and helps disadvantaged groups and low-income families improve their lives through charitable activities and donations: • Provided microinsurance service or donation amount up to NT$15,519,892 • A total of 8,157 microinsurance beneficiaries • NT$1,198,301 in proceeds from donations of social welfare cards (Hiyes co-branded card, CTCI/ECOVE affinity card) • In-kind donations valued at NT$48,200,397 • A total of 16,738 beneficiaries under the charity program • Adopted/sponsored 30 students • 44 units benefitted from charity programs
Cultural Heritage		• Mega provides sports and cultural resources to rural schools and improves uneven distribution of resources between domestic sports development and arts and cultural education, in order to increase the brand exposure of Mega Group and help local communities increase their international visibility. • We also continue to devote resources to support the development of grassroots athletes, deepening the connection between Mega Group's rural operations and various communities, and becoming a genuine Taiwanese sports promoter.	Supported the sports and cultural development of rural schools through allocation of resources to rural areas; strengthened social recognition and brand image; increased opportunities to engage with potential talents/customers: • 428 news articles published • 86 events sponsored/ organized • Up to 18,484,605 beneficiaries	• Improve uneven distribution of resources between urban and rural areas, and ensure that children have equal opportunity to sports and cultural resources. • Promote indigenous cultural activities and encourage people to be more understanding and inclusive of different ethnic groups. • Support the sports and arts and cultural development of Taiwan. • Promote sports and increase the value of arts and culture in society.	Achieved SDG 10.2: empower and promote the social, economic and political inclusion of all and SDG 10.3: ensure equal opportunity and reduce inequalities of outcome: • Donation amount reached NT$40,386,820 • Trained 527 athletes • Provided support to 45 choir students and staff
Environmental Sustainability		• Protecting the global ecosystem and supporting the ESG program to enhance the social image of Mega Group • Utilizing the Group's purchasing power to help Taiwan's farmers overcome the imbalance between production and sales	Participating in and organizing various social welfare activities and developing related financial products to expand the social influence of Mega Group: • 20 news articles published • 366,449 environmental charity credit cards (e-Happy Credit Card/e-Happy Titanium Card) issued (Note)	• Raised the public's awareness of environmental protection and protect the earth's natural biodiversity. • Supported Taiwan's high-quality agricultural products to alleviate the imbalance between production and sales.	Implement SDG 8.10 "Strengthen the capacity of domestic financial institutions to encourage and to expand access to banking, insurance and financial services for all", SDG 13.1 "Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries", SDGs Target 14.1 "Conserve and sustainably use the oceans, seas and marine resources for sustainable development", and SDG 15.5 "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss". • 100 saplings planted • 584 kg of exotic plants removed • NT$230,500 proceeds from environmental charity credit cards (e-Happy Credit Card/e-Happy Titanium Card) donated • Fruit purchase amounted to NT$388,250 • Donation amount reached NT$1,226,722

Note : Mega Bank Hiyes co-branded card provides 0.1% of non-CPC/home purchase deposit to donate to Noordhoff Craniofacial Foundation. The CTCI/ECOVE affinity card of CTCI Group provides a 0.2% donation from general consumption to the CTCI Education Foundation. The Weitian Temple affinity card provides a 0.25% donation from general consumption to the Holy Emperor Guan Cultural Exchange Association. e-Happy EasyCard Titanium Card/EasyCard Card provides 0.1% of non-online purchases to the Taiwan Black Bear Conservation Association and the Wild One Taiwan to support the conservation of wildlife in Taiwan. e-Happy Titanium Card "Priceless Planet Tree Planting Project" donates NT$50 for every card issued, which means NT$50 will be donated to the MasterCard Priceless Planet Coalition to plant trees around the world.

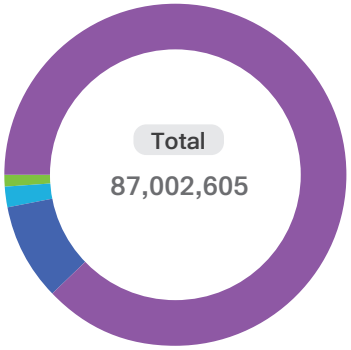
Impact Evaluation

Through the Social Prosperity Working Group under the Sustainable Development Committee, Mega Group formulates annual work implementation plans and goals for the Group to expand its social influence through social investments and charity activities. At the same time, we also regularly review the implementation and performance of each strategic axis, and continuously review the form and type of investment in each axis with reference to the Business for Societal Impact (B4SI) evaluation framework for community investment. For example, forms of input include "Cash Donation", "Volunteer Personnel Expenses", "Supplies Donation", and "Management Expenses". Types of input include activities related to "Charity Donation", "Community Investment", and "Business Initiatives". Through the aforementioned projects, we can effectively track and evaluate the social impact and effectiveness of Mega Group. In 2024, Mega Group invested more than NT$87 million in social inclusion-related initiatives, demonstrating the results of the Group's continuous efforts to deepen the impact of its philanthropic programs.

Forms of Input

Unit: NTD

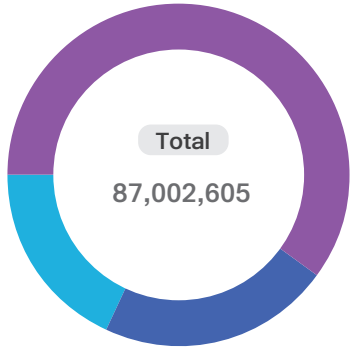
Cash Donation	88%	76,298,167
Management Expenses	9%	8,477,635
Volunteer Personnel Expenses	2%	1,617,550
Supplies Donation	1%	609,253

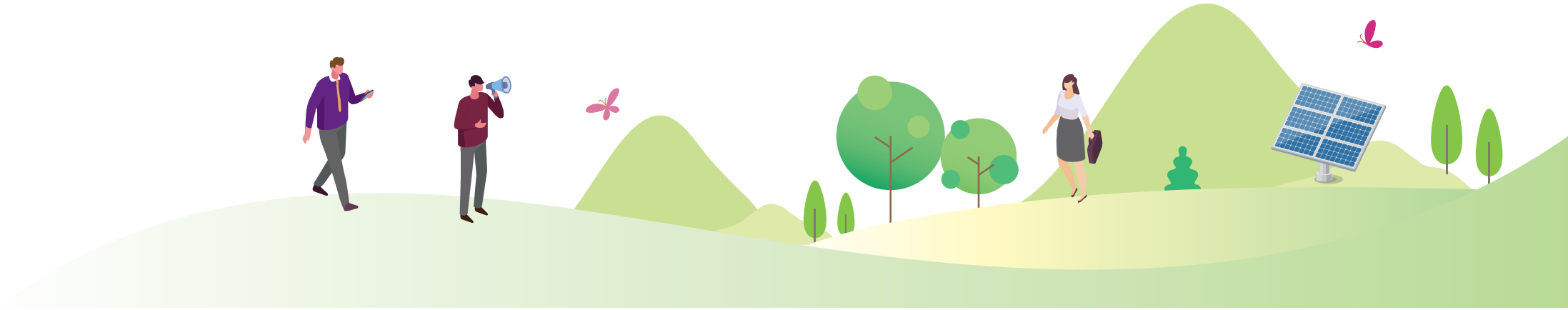


Types of Input

Unit: NTD

Community Investment	60%	52,310,673
Business Initiatives	22%	19,306,061
Charity Donation	18%	15,385,871





8.1 Nurturing Professionals in Finance

8.1.1 Financial Education

Mega Group continues to develop financial education, hoping to convey correct financial knowledge to the public so that they can understand how to use financial products and services to enhance life security. We also include inclusive financial education activities in various public welfare activities. Furthermore, respond to the United Nations' SDG 4 for quality education. Through the power of financial knowledge, social wealth gaps can be reduced and national well-being can be enhanced.

Mega Group also offers various internship or work-study opportunities every year, allowing students to have close contact with financial practices during their studies and to apply the financial knowledge learned in school to their work, achieving the goal of putting into practice what they have learned. Through the opportunities above, potential financial talents can be discovered, injecting new vitality into the sustainable operation of Mega Group.



Financial Education

In 2024, a total of

NT$9,265,940

was invested, accounting for 12% of the total investment.

The Core of Strategic Axis	Stakeholders	Beneficiary Regions	Critical Impact
Financial Education	• School Students / College Students • General Public • Existing / Potential Customers	Taiwan	• Through financial literacy seminars and financial literacy booths, a total of 20 financial inclusion education events were held to promote financial literacy to 14,725 schoolchildren and the elderly. • Together with the Taipei Medical University Mountain Social Services Corp, we organized four educational camps for schoolchildren in remote villages to promote financial knowledge and anti-fraud concepts, with a total of 121 participants. • 116 lectures on financial fraud prevention for the elderly were held, with a total of 3,296 participants.
Internship and Part-time Work Programs	• College/University students	Taiwan	• Provided 243 students with internship or work-study opportunities to experience workplace practices and financial operations.
Financial Activity Sponsorship	• General Public • Existing / Potential Customers	Taiwan	• Sponsored the Business Today "1000 Businesses Survey and Forum of Taiwanese Businessmen in ASEAN" to get a direct view of the new investment trends in ASEAN. The sponsorship for this project was NT$800,000, and a total of 223 leaders from industry, government, academia, and research attended the event. • Sponsored the 2024 "Cooperation Program for Property Trust and Voluntary Guardianship System Promotion for the Elderly" activity series of the Taiwan Kangning Social Welfare Association, with a total of 45 events and 855 people.
Scholarships	• School Students / College Students	Taiwan	• Donated NT$1.3 million to National Tsing Hua University's academic fund, benefiting a total of 26 financially-disadvantaged students. • Donation of NT$300,000 to the Taiwan Financial Services Coalition Education and Public Welfare Fund by the Taiwan Financial Services Roundtable, benefiting 6 people.

Financial Knowledge Promotion

For the purpose of enhancing basic financial education and establish the correct financial consumption and borrowing concepts for the public, Mega Group invited the Taiwan Academy of Banking and Finance to offer classes and actively encouraged employees to attend courses offered by the Academy. Through teaching methods such as group discussions and videos, it trained employees to become seed lecturers. In 2024, a total of 17 lecturers from Mega Bank passed the "Financial Literacy Lecturer Training Program" organized by the Taiwan Academy of Banking and Finance

and obtained the lecturer qualification. In addition, in line with the FSC's "Promoting Financial Literacy on Campuses and Communities" campaign, Mega Bank participated in 82 promotional sessions in schools, indigenous communities, and social welfare organizations in Miaoli County, Pingtung County, and Yunlin County, with a total of about 4,177 people participating in the sessions. In addition, Mega Bank held a total of 7 trust knowledge promotion sessions with relevant social welfare groups such as Keelung Friends of Rehabilitation Association members, Family of Joy, Down Syndrome Foundation, Keelung Friends of Rehabilitation Association, Maria Social Welfare Foundation, Yunlin County Little Angel Development Association, and Taiwan Alzheimer's Disease Association, with approximately 315 people participating. In addition, Mega Bank C&E Foundation also worked with Mega Bank to promote financial knowledge among indigenous peoples and new immigrants. In the fourth quarter of 2024, three "Mega Bank Fraud Prevention for New Immigrants" events were held, and Mega Bank financial lecturers were arranged to conduct fraud-prevention promotion to establish the concept of fraud prevention among new immigrants. In addition, through the Uni-President 7-Eleven Lions Star Mentoring Day Mega lecturers were invited to promote financial knowledge education to students from nine elementary school baseball teams in Yilan (including indigenous students), with a total of 161 participants.

★ Case Study

Mega Bank's "Mega Brings Light to Remote Areas" Simulation Teaching Scenario Sponsorship Program



Continuing the Mega Bank C&E Foundation's "Mega Brings Light to Remote Areas" real-life teaching scenario sponsorship project in 2023, scrapped ATMs will be reused in combination with teaching experience programs, and banking-related equipment projects will be provided so that students can learn from actual operations. This year's project was to promote bilingual experiential teaching. ATMs and banking equipment worth nearly NT$450,000 were donated to Tsaiwen Elementary School in Zhulu District, Kaohsiung City, to create the "Mega Bank Zone" English simulation teaching scenario classroom, which provided 70 students with English application and financial-related knowledge.

Mega Bank C&E Foundation said that continuing this project is not only a practical promotion of financial literacy, but also a way to reuse resources and create an immersive bilingual financial learning environment. Through the real ATM operation scenario, we hope to increase the interest of learning and improve the financial literacy of Tsaiwen Elementary School students."

★ Case Study

Mega Securities Go Deep into the Community to Educate Senior Citizens to Enhance Their Financial Fraud Awareness



Starting in 2024, Mega Securities, together with its subsidiaries Mega Futures and Mega International Investment, launched the "Mega Education Public Welfare Train for Seniors" lecture series targeting the elderly, to expand the promotion of financial fraud prevention and promote a financial-friendly environment. The first event was held in cooperation with the village office of Meihuali, Zhongzheng District, Taipei City, where Mega Securities' head office is located. On June 9, the eve of the Dragon Boat Festival, community residents were invited to participate in the event. Chairman Pei-Chun Chen of Mega Securities and Mega Futures and President Ming-Chung Wu attended the event in person. The lecture on that day focused on investment fraud that has occurred frequently in recent years, where the main theme of the elderly care activity was mainly focused on "education and promotion of financial fraud prevention". It included explaining the common types of financial fraud, introducing action steps to prevent fraud, and promoting information on channels for assisting in fraud prevention. We hope to enhance the correct awareness of elderly people in identifying and preventing fraud, and the know-how to protect the safety of their own property.

Pei-Chun Chen, Chairman of Mega Securities: "In the future, Mega Securities and Mega Futures will continue to go deep into the local community and cooperate with different groups to hold the "Mega Education Public Welfare Train for Seniors" lecture series to conduct financial education and fraud prevention promotion in a relaxed and interesting manner. We will also continue to optimize the quality of friendly services for elderly customers, listen to the needs of elderly customers and provide fair and reasonable services."

★ Case Study

CKI and Taipei Medical University Mountain Social Services Corp on a Mission to Nantou's Remote Villages to Promote Fraud Prevention Education during the Summer Vacation



The population structure in Taiwan's remote rural areas is mostly composed of elderly people and school-age children, but the available resources are relatively limited, especially during the summer vacation when parents often have no time to spend with their children. To prevent schoolchildren from being influenced by negative external factors during the summer vacation, CKI has teamed up with Taipei Medical University Mountain Social Services Corp to use the summer vacation to visit the indigenous communities in Nantou County. When the Taipei Medical University Mountain Social Services Corp provided free medical consultation and health professional consultation for residents, CKI used its financial expertise to organize educational camps. Through easy-to-understand course design and game interactions, the camps promoted basic insurance, financial knowledge and anti-fraud concepts, and taught the students how to identify fraudulent activities and avoid being deceived. This year, it has added homework mentoring to allow the children to learn how to complete school assignments in a planned manner. Everyone used their respective skills to serve in the remote areas and spent a happy and fulfilling summer with the indigenous community residents.

Ying-Hao Weng, President of CKI: "Companionship is the best gift for rural residents. We hope to work together with the Taipei Medical University Mountain Social Services Corp to leverage our respective strengths to provide services and knowledge, so that CKI's care can reach every corner."

8.2 Social Commitment

8.2.1 Caring for the Disadvantaged

Mega Group has long been concerned about disadvantaged groups in society and has combined the resources of its subsidiaries, as well as Mega Charity Foundation and Mega Bank C&E Foundation, to sponsor domestic public welfare organizations and extend a helping hand to those in need in society.

Every year during the holiday seasons, Mega Group carries out cash and resource donations and volunteer care services. It also adopted 30 disadvantaged children through the Taiwan Fund for Children and Families. When major accidents or disasters occur at home or abroad, Mega Group will also provide assistance without any delay. For example, in 2024, a severe earthquake occurred in Hualien. To assist in local disaster relief and reconstruction in Hualien, the entire Group (including the Mega Bank C&E Foundation) donated a total of NT$3.5 million to the Taiwan Foundation for Disaster Relief. Mega Group hopes that whenever there are disadvantaged groups in need of assistance, we can provide them with support and companionship. In addition to responding to the SDG 1: no poverty, we also take practical actions to help poor and disadvantaged groups enjoy the right to equal access to economic resources.

Caring for the Disadvantaged

In 2024, a total of

NT$15,534,907

was invested, accounting for 20% of the total investment

The Core of Strategic Axis	Stakeholders	Beneficiary Regions	Critical Impact
Care for Disadvantage Individuals	• General Public	Taiwan	• Each subsidiary invited a total of 27 volunteers from local service locations to participate in the year-end fair held by six organizations across Taiwan, and conducted anti-fraud promotion on site. • Adopted 30 children from the Taiwan Fund for Children and Families.
Donation or Assistance in the Form of Financial Products	• General Public	Taiwan	• Provided NT$1.23 million in micro-insurance to 10 social welfare units and government agencies, benefiting around 8,157 people. **Social charity credit cards** • The Hiyes International co-branded card donates to the Noordhoff Craniofacial Foundation. As of the end of 2024, a total of 29,216 cards had been issued, with a donation of nearly NT$860,000. • The CTCI/ECOVE affinity card of CTCI Group designated a donation of nearly NT$340,000 to the CTCI Education Foundation.

★ Case Study

Continue to Promote Volunteer Basic Training and Increase the Number of Trainees by 50% in the Second Year



In 2024, a total of three Mega Financial Holding volunteer basic training courses were held. The Taipei Volunteer Service Center, commissioned by the Taipei City Government's Department of Social Welfare, provided professional course training, including on laws and regulations, the connotation and ethics of volunteer services, and sharing of volunteer service experiences, to pass on the value of volunteer services. After completing the basic training course, employees can participate in various special training courses in the future, obtain volunteer service records, and accumulate various volunteer service hours.

A total of 145 people completed the basic training course this year, an increase of 50.3% over last year. After the Taipei training course was completed, a ceremony to commend outstanding volunteers was held.

Sending Love during Holidays and Festivals

organize social care activities with its employees. In 2024, Mega Charity Foundation continued to expand its public welfare activities. The Foundation purchased the required daily necessities and resources according to the needs of the various groups, hoping to provide more help to social welfare groups. At the same time, more than 100 employees of Mega Group were mobilized to accompany the elderly and disadvantaged individuals to spend the holiday together and spread love.

Under the planning of Mega Charity Foundation, the Group has gathered many enthusiastic volunteers to participate in social services. In the cold winter at the end of the year, a series of "Mega Anti-Fraud Team Island-Wide Tour" care activities were held. In cooperation with six social welfare organizations such as the Taiwan Fund for Children and Families and the Maria Social Welfare Foundation, they interacted with disadvantaged individuals, families and children in the form of a fair. In addition, they called on 27 volunteers from the Group's local branches to share anti-fraud tips, reminding disadvantaged families to pay more attention to fraud traps disguised as employment, investment, and consumption opportunities as the year comes to an end. The activity series attracted more than 420 people to the event site.

In addition, Mega Charity Foundation commissioned Xuan Yi New Knowledge Care Association in Taoyuan to make 400 handmade mosquito-repelling incense packs to be presented to four organizations, including the Andrew Charity Association, to share the joy of the Dragon Boat Festival. In September, 52 volunteers were called to the Down Syndrome Foundation to serve as Mid-Autumn Mooncake Gift Packing Volunteers to help the Down Syndrome patients to have their gift boxes shipped out smoothly, so that the joy of the festival could be spread to all corners of the society.

Mega Charity Foundation Held a Series of End-of-Year Heartwarming Activities - "Mega Anti-Fraud Team Island-Wide Tour"



Joined hands with CKI to visit the Miaoli Chapter of the Taiwan Fund for Children and Families on November 17



Joined hands with Mega Bank to visit the Maria Social Welfare Foundation on November 27



Joined hands with Mega Funds and CKI to visit the Taipei and Taichung Chapters of the Taiwan Fund for Children and Families on December 1st



Joined hands with Mega Securities to visit the Southern Taichung Chapter of the Taiwan Fund for Children and Families on December 7

★ Case Study

ABRAZO Volunteer Activity



ABRAZO, a brand under the Down Syndrome Foundation, ROC, is the second home of children with Down syndrome. Several disabled employees are hired in each branch to make handmade biscuits and noodles, and engage in product sales or packaging. Before the Mid-Autumn Festival in 2024, due to the strong support of the public for the ABRAZO holiday gift boxes, volunteers were needed to help complete the boxes one by one. Mega Group called together 52 volunteers to go to the ABRAZO Workshop on the weekend to assist the disabled employees with packaging the gift boxes, so that each box supporting those with Down syndrome could be shipped out smoothly as scheduled. They also donated NT$20,000 to the Foundation's "Caring for Down Syndrome Patients" fundraising project to support Down syndrome patients' early treatment, supported employment training, and day care services, contribute their share to create a better society.

Shih-Yi Chen, President of Mega Bills: "Supporting diversified employment without hesitation, Mega Bills accompanies the disabled employees of ABRAZO to put love into the gift boxes."

★ Case Study

Mega Funds holds Christmas Charity Event



Mega Funds made Christmas wreaths together with the residents of Kindgarden Home. During the activity, everyone learned and communicated with each other, breaking down barriers and building a bridge of mutual respect and understanding. In addition to donating materials to support the consumption of daily necessities, the more important thing is to convey care and respect. Mega Funds believes that true corporate social responsibility is not just about creating economic value, but about taking actual actions to care for society. In addition to being a practical implementation to fulfill corporate social responsibility, it is also a practice of caring, igniting the fire of hope and warmth for society through concrete action.

Pei-Chun Chen, Chairman of Mega Funds: "Making a positive impact is our corporate philosophy. Companies should not only pursue profits, but also shoulder social responsibilities, care for disadvantaged groups, and work together to create a more inclusive and warm social environment."

★ Case Study

CKI Plans Micro-Insurance for Disadvantaged People



Insurance is a means of basic protection in life, and micro-insurance provides economically disadvantaged individuals with basic personal protection against specific risks to fill the gap in government social insurance or social assistance mechanisms. To assist economically disadvantaged groups, Mega Group actively provides microinsurance services and continues to offer microinsurance premiums to help maintain their basic living standards, enabling the microinsurance to provide immediate safety and security for those in need.

CKI plans micro-insurance for disadvantaged people as well as micro-insurance for elderly disadvantaged people, providing basic insurance protection to elderly people aged 65–75 years who receive living allowance with mid-to-low-income and helping them to avoid financial distress in the family when an insured person encounters an insurance incident. In 2024, Mega Charity Foundation donated over NT$58,000 worth of microinsurance to the Ruisui Township Office in Hualien for low-income families, benefiting around 359 people. In addition, CKI donated approximately NT$1.087 million worth of microinsurance to 8 social welfare institutions, benefiting around 7,253 people.

Ying-Hao Weng, President of CKI: "Insurance protects you from risks, and CKI hopes to increase the resilience of disadvantaged groups through professional planning."

8.2.2 Cultural Heritage

Children in the remote rural areas of Taiwan have a passion and talent for sports and culture, but due to geographical limitations and uneven resource allocation, this passion and talent can be difficult to discover and develop. Mega Group has long supported the sports and cultural activities in Taiwan, not only vigorously supporting sports such as baseball, archery, and weightlifting, organizing events and competitions to promote the sports culture, but also providing resources through the Mega Bank C&E Foundation for student choirs, teams, and other groups in rural areas. Mega Group's support for rural sports development has been unwavering, and it has been recognized for six consecutive years by the Ministry of Education's Sports Administration with the "Sports Promotion Award."



Cultural Heritage

In 2024, a total of **NT$50,886,820** was invested, accounting for 67% of the total investment.

The Core of Strategic Axis	Stakeholders	Beneficiary Regions	Critical Impact	2024
Sporting Promotion	• Students • General Public	Yilan, Hualien, Taitung in Taiwan	• Sponsorship of NT$10.5 million for the Uni-President 7-Eleven Lions baseball team in the Chinese Professional Baseball League (CPBL), and held a Uni-Lions baseball star coaching day, where the star players trained players from rural elementary school baseball teams, with a total cost of about NT$120,000, and a total of 161 students, coaches, and teachers participating. • Organized the "2024 Mega Bank Cup Yilan Dream Little League Baseball Championship" with a budget of NT$450,000, providing a stage for 9 national elementary school baseball teams in Yilan County to compete. • Sponsored the recurve archery teams of Yuli Senior High School, Yuli Junior High School, Sanmin Junior High School, and Jhuosi Elementary School in Hualien County, with a total training cost of NT$1 million, benefiting a total of 35 students. • Sponsored the National Chengchi University Griffins Basketball Team with a total of NT$700,000 to encourage sports on campus and support grassroots teams to cultivate national players. Since 2021, the team has been the champion of the UBA University Basketball League for four consecutive years, with outstanding results.	NT $25,198,700
Cultural Activities	• Students • General Public	Kaohsiung, Pingtung in Taiwan	• The "2024 Vocal Feast Mega Bank VIP Night" concerts were held in the across Taiwan, with a cost of approximately NT$6.36 million and 4,192 participants. • Sponsored the 5th "Taiwan Plus 2024" event of the General Assembly of Chinese Culture with NT$5 million to enhance cultural and industrial exchanges between Taiwan and Japan. • Sponsored NT$3 million for the Penghu stop of "Yoshitomo Nara - Hazy Humid Day" 10-year tour in Taiwan to enhance cultural exchanges between Taiwan and Japan. • Sponsored NT$3 million to Tainan City Government Cultural Affairs Bureau's "2024 Nan Ying International Folklore Festival" to promote international cultural and art exchanges. • Sponsored NT$250,000 to the Puzangalan Children's Choir to participate in "The 13th World Peace Choral Festival in Austria", "International Youth Music Festival" in Slovakia, and "Sounds of Taiwan" project. • Organized 12 event sessions of "Leaping Dragon Brings Good Fortune, Celebrate New Year with Calligraphy Masters," with a cost of NT$263,000.	NT $25,688,120

Supporting More Environmentally Friendly Competitions

The Chinese Taipei Association of Ultrarunners (CTAU) has long been promoting more environmentally friendly events and planning race activities based on the 3R Principle. At the same time, the association implements the calculation of the event's carbon footprint to reduce the potential environmental impact caused by the event. Mega Group and CTAU share the same sustainable goals and have been working together for four consecutive years in response to green sporting events. In 2024, CKI continued to provide public accident liability insurance and general insurance policies for specific activities for CTAU, including the "Taipei Ultra Marathon", "Taiwania Ultra Trail", and "Yilan Dongshan River Ultra-Marathon", with a total cost of NT$1 million. Through the insurance function, it can ensure the safety of ultra-marathon runners and share the potential risks of holding events with the association.

★ Case Study

Taiwania Ultra Trail



From 3R Principle for Events towards 6R

Reduce, reuse, and recycle. The 3R Principle makes sporting events more environmentally friendly and hopes to establish a green concept among runners through the event. In recent years, the concept of increasing and reducing plastic has been updated: refuse to use single-use plastics (Refuse), replace plastics with other methods (Replace), inform and promote plastic reduction actions (Remind), and reduce plastic pollution from events.

How to Choose Ultra-marathon Runner Insurance?

CKI launched a "specific event comprehensive insurance" that covers special activities or competitions such as marathons, ultra-marathons, paragliding, rock climbing, or professional performances above 3,000 meters. If accidents such as frostbite, heat stroke, and heat exhaustion occur, they are all covered under the insurance.

★ Case Study

Mega Bank Sponsors Merida-MAXXIS Cup Changhua Classic Bike Festival



Mega Bank and Mega Bank C&E Foundation have been promoting grassroots sports for years and continue help with its development. Since 2017, Mega Bank has started a long-term cooperation with Merida, and in the past two years, it has been upgraded to become the title sponsor partner of the Classic Bike Festival. In 2024, it sponsored the "Mega Bank Merida-MAXXIS Cup Changhua Classic Bike Festival" cycling event with NT$1.2 million.

Ray B. Dawn, Chairman of Mega Bank said: "Mega Bank strongly encourages our employees to cultivate a sports habit, and in recent years, we have formed the 'Mega Bike Team' to participate in the Classic Bike Festival, shaping a positive corporate culture."

★ Case Study

Mega Bank C&E Foundation's "Baseball Dreams Come True Plan" Aims to Cultivate Basic Baseball Talents



▲ Mega's Baseball Dreams Come True, Stars Coaching Day

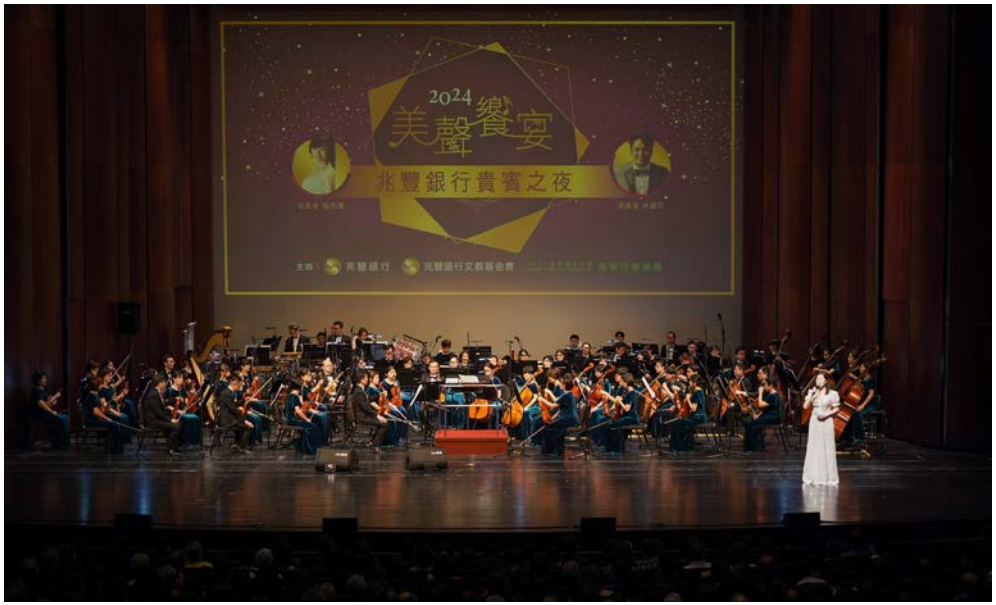
Mega Group has sponsored the baseball teams of elementary schools in the Yilan area for several years, providing complete equipment and training expenses to cultivate basic baseball talent and strengthen Taiwan's sports prowess. To help children in remote villages to realize their dreams, Mega Bank invited three baseball stars, Ching-Kai Lin, Yu-Ming Ko, and Dai-An Lin of the Uni-President 7-Eleven Lions to visit the Luodong Sports Park Baseball Field in to coach the nine national elementary school baseball teams in Yilan that Mega Bank C&E Foundation has long sponsored. This experience allowed the young players to have a glimpse of the stars in action. Mega Bank also arranged lecturers to promote financial literacy to the participants, with a total of 161 participants.

In addition to donating equipment and training expenses, the Mega Bank C&E Foundation also holds the "Mega Bank Cup Yilan Dream Little League Baseball Championship" every year, providing a stage for young players to showcase their skills. The 2024 championship, held in August in Yilan, was the sixth competition, providing a stage for nine national elementary school baseball teams in Yilan County to compete. Mega Group not only holds competitions but also deploys resources in the indigenous communities to build a solid foundation for grassroots baseball in Yilan.

Cultural Heritage and Education

The culture and art of the Indigenous peoples are important assets of Taiwan. Mega Group has always attached importance to the heritage and education of indigenous culture, supporting the cultivation of professional talents in indigenous performance arts, and sponsoring long-term activities of indigenous cultural art education and dance performances. Puzangalan Children's Choir is an indigenous choir composed of Paiwan children. The Mega Bank C&E Foundation has sponsored the choir for 11 consecutive years since 2013 and provided support during international competitions, allowing the world to hear Taiwan's heavenly music.

Furthermore, to cultivate diversified art literacy of the Taiwanese people and support international cultural exchanges, Mega Bank and Mega Bank C&E Foundation supported the “Yoshitomo Nara Special Exhibition” tour in Taipei, Kaohsiung and Tainan in 2021, which received a warm response. To continue this support, we sponsored the “Traveling with Hazy Humid Day” 10-year Taiwan Tour Exhibition Plan in 2023, which started its journey at the Neiwei Arts Center in Kaohsiung. The second stop this year (2024/3-9) was on the island of Penghu. In addition to exhibiting this work, the exhibition venue added many wonderful manuscripts and photographs by Yoshitomo Nara, and also exhibited pottery works in Taiwan for the first time, allowing 26,738 viewers to experience the unique charm of the different types of works. This year, NT$3 million was invested in the Penghu venue, and the project gained a cumulative investment of NT$6 million at the end of 2024.



"2024 Vocal Feast Mega Bank VIP Night” concerts gathered 4,192 participants.



“Leaping Dragon Brings Good Fortune, Celebrate New Year with Calligraphy Masters” series event held in 12 branches during lunar new year.

8.2.3 Environmental Sustainability

Mega Group continues to pay attention to social trends. When issues that require help or attention are identified in society, the Group examines them from its own perspective and takes action. Then, the Group's social influence is consolidated and expanded through these actions to bring positive energy to various social issues that need to be addressed. Mega Group has not engaged in operational activities that have caused significant actual or potential negative impact on local communities. Instead, the Group has actively deepened its connections with various communities through a range of charitable activities.

Environmental Sustainability

In 2024, a total of

NT$610,500

was invested, accounting for 1% of the total investment.

The Core of Strategic Axis	Stakeholders	Beneficiary Regions	Critical Impact
Environmental Protection	• General Public	New Taipei, Keelung, Taichung in Taiwan	• In response to the United Nations World Environment Day, the Group organized a joint mountain cleanup event in northern, central and southern Taiwan, with a total of 262 volunteers participating and removing 520 kg of exotic plants (northern and southern Taiwan). • Participated in the "Rongxing Garden Ecological Protection" event organized by the Parks and Street Lights Office, Taipei City Government. 26 Volunteers wore waterproof chest waders and entered the ecological pond to clean up silt and exotic water hibiscus, and to conserve the habitats of fireflies and rare birds. • Mega Bills participated in the "Get Rid of It Quick - National Control and Prevention Day of Bitter Vine" volunteer campaign organized by the Yilan and Taichung Branches of the Forestry and Nature Conservation Agency and removed 333 kg of the invasive species small-flowered morning glory. • Participated in the "Establishment of Fire Prevention Forest Belt and Restoration of Tree Island on Longmujing Trail of Dadu Mountain, Taichung" event organized by the Taiwan Reforestation Association, removing the heads of Guinea grass and planting 150 Taiwanese native forest plant species. • Participating in the "Fuyang Eco Park Handmade Trail Event", a total of 26 volunteers completed two sections of stone steps, nine sections of horizontal wooden plank steps, and four sections of water ditches. • Sponsored the Taiwan Black-Faced Spoonbill Conservation Association, providing funds for the construction of live habitat broadcasting equipment and cooperating in the "Black-faced Spoonbill Sustainable Development Science Education Program", inviting students from nearby schools to learn more about the habitat ecosystem. **Social charity credit cards** • The e-Happy EasyCard Titanium Card is designated to donate to the Wild One Taiwan the Society of Wilderness. A total of 69,922 cards were issued in 2024, with a donation of nearly NT$73,000. • The e-Happy Titanium Card is designated to donate to the "Priceless Planet Tree Planting Project". In 2024, 296,527 cards were issued and nearly NT$200,000 donated.
Support for Local Agriculture	• Taiwan Farmers	Taiwan	• Support local agriculture by purchasing Taiwan-produced pomelo to address the production and sales imbalances faced by farmers. The total amount of agricultural product purchases reached NT$388,000.

★ Case Study

Mega Financial Holding Joins Hands to Clean up the Mountains across Taiwan



In May, in response to the United Nations World Environment Day, Mega Financial Holding and Mega Charity Foundation invited Group employees to serve as volunteers to jointly organize a mountain cleanup event in Yangmingshan's Datun Nature Park (Taipei City), Gonglaoping Hiking Trail (Taichung City) and Shoushan National Nature Park (Kaohsiung City) on May 25th. The Chairman of Mega Financial Holding led the heads of the Group's subsidiaries to participate in the event, where they cheered on the volunteer team via video streaming. The event served as a testament to the corporate philosophy of implementing environmental sustainability and promoting social prosperity. A total of three sessions were held:

- **Northern Taiwan** 42 volunteers removed 450 kg of small-leaf spiderwort (an invasive exotic plant) at Yangmingshan's Datun Nature Park in Taipei City.
- **Central Taiwan** 168 volunteers cleaned up Gonglaoping Mountain in Fengyuan County, Taichung City, covering a total area of 20,000 square meters.
- **Southern Taiwan** 52 volunteers removed 70 kg of nephthytis (an invasive exotic plant) at Shoushan National Nature Park in Kaohsiung City.

★ Case Study

Sharing the Participation of Mega Group in the Dadushan Natural Forest Restoration Event



Since 2021, CKI has continued to cooperate with the Taiwan Reforestation Association on local native forest planting activities every year, and has planted more than 400 local native species to date. This year marks the 93rd anniversary of the company's establishment, and we have specially organized a local native tree restoration and paper mulberry papermaking family activity, expanding the invitation to employees and their families. Unlike the previous simple tree restoration and planting, this activity brought in the concept of tree life cycle, from explaining the characteristics of local paper mulberry trees that can be seen everywhere, to leading parents and children to experience the process of paper mulberry paper making. Entire families took part to re-pot and plant saplings together. We hope that through the personal participation of Mega Group employees, we can do our part to protect the environment and pass on the concept of green living to the next generation.



9 Appendix

9.1 Sustainable Data
9.2 Sustainability Standards Index Table
9.3 Verification Statement by External Independent Parties

9.1 Sustainable Data

9.1.1 Environmental Metric Data

Energy Consumption in the Past 4 Years

Type of Energy	Items / Year	2021	2022	2023	2024
Electricity	Usage (kWh)	34,599,188	35,374,915	34,271,151	36,749,346
	Expenditure (NTD)	126,071,000	129,380,000	127,594,281	143,883,389
	Energy Consumption (GJ)	124,557	127,350	123,376	132,298
Gasoline	Usage (Liter)	419,442	386,985	305,499	280,139
	Expenditure (NTD)	10,338,000	10,779,000	9,589,849	10,328,378
	Energy Consumption (GJ)	13,695	12,635	9,975	9,147
Natural Gas	Usage (M^3)	36,868	32,239	30,863	29,793
	Expenditure (NTD)	241,258	358,119	376,576	396,599
	Energy Consumption (GJ)	1,235	1,080	1,034	998
Diesel (mobile)	Usage (Liter)	3,716	1,999	2,576	1,550
	Energy Consumption (GJ)	131	70	91	54
Diesel (fixed)	Usage (Liter)	3,480	5,456	2,481	4,444
	Energy Consumption (GJ)	122	192	87	156
Liquefied Petroleum Gas (LPG)	Usage (Kg)	3,832	4,142	5,925	7,356
	Energy Consumption (GJ)	106	209	299	371
Total Energy Consumption (GJ)		139,846	141,536	134,861	143,024
Energy Consumption per Capita (total heating value (GJ)/person)		15.08	16.35	15.18	15.19
Energy Intensity (total heating value (GJ)/NT$ million net revenue)		2.31	2.53	1.74	1.71

Note 1: Scope of energy consumption data included all business locations in Taiwan.

Note 2: Total electricity bill was calculated using the average electricity price listed in the Bureau of Energy's 2018 Energy Statistics Handbook under the section Changes in Electricity Prices.

Note 3: The coefficient for calculating energy consumption (heating value) was based on the Bureau of Energy's Table of Heating Value Per Unit of Energy Product (2018), which gasoline is calculated as 7,800 kcal/liters, natural gas as 8,000kcal/liters, diesel 8,400kcal/liters, and liquefied petroleum gas (LPG) 6,635kcal/liters. Each kilocalorie is calculated as 4.186 joules.

Note 4: The Group does not produce or sell energy; therefore, energy sale of electricity, heating, cooling, and steam equals zero.

GHG Emission in the Past 4 Years

Unit: Metric tons of CO_2e

Items / Year	2021	2022	2023	2024
Direct GHG Emissions (Scope 1)	3,200.15	2,522.18	2,264.18	2,638.86
Direct GHG Emissions (Scope 1)-Company Car	998.56	917.73	726.53	660.18
Energy Indirect GHG Emissions (Scope 2)	18,979.29	19,414.25	18,642.96	14,928.72
Emissions of Scope 1+2	22,179.44	21,936.43	20,907.14	17,567.58
Emission Intensity of Scopes 1+2 (Metric tons of CO_2e/ thousand NTD net revenue)	0.00036	0.00039	0.00027	0.00021
Other Indirect GHG Emissions (Scope 3)	415,840.08	992,666.95	8,947,787.52	9,052,152.01
Other Indirect GHG Emissions (Scope 3)-Business Travel	141.72	115.96	290.24	427.44
Other Indirect GHG Emissions (Scope 3)-Investment	412,222.75	989,175.34	8,943,847.17	9,006,084.67
Number of Domestic Locations Verified by the third-party	192	192	192	192
Third-party Verification Coverage Rate in Domestic Locations (%)	100%	100%	100%	100%

Note 1: The Group obtained a total of 380 renewable energy certificates (T-RECs) in 2021. The total emission of Scopes 1+2 measured by location base was 20,379.94 metric tons of CO2e; measured by market base was 20,189.18 metric tons of CO_2e.

Note 2: The Group obtained a total of 298 renewable energy certificates (T-RECs) in 2022. The total emission of Scopes 1+2 measured by location base was 20,336.06 metric tons of CO2e; measured by market base was 20,184.38 metric tons of CO_2e.

Note 3: The Group registered and declared a total of 2,145 certificates (7,722 GJ) at the National Renewable Energy Certificate Center in 2023. The total emission of Scopes 1+2 measured by market base was 18,888.61 metric tons of CO_2e.

Note 4: The Group registered and declared a total of 9,381 certificates (33,772 GJ) at the National Renewable Energy Certificate Center in 2024. The total emission of Scopes 1+2 measured by market base was 15,529.14 metric tons of CO_2e. The global warming potential (GWP) adopted the global warming potential values of various greenhouse gases in the IPCC's Sixth Assessment Report in 2021.

Note 5: In 2020, the inventory of Scope 3 emissions was conducted on the domestic locations of Mega Financial Holding and all subsidiaries; the category of emission was "Business Travel" and "Investments" in other indirect GHG emissions. In 2021, the inventory of Scope 3 emissions coverage was the same as last year, and a new category of emission, the “Externally Purchased Electricity Upstream” was added. In 2022, the inventory of Scope 3 emissions coverage was the same as last year, with only the “Investment” added “Listed Equity Invetsment” and “Business Loan”. In 2023, the inventory of Scope 3 emissions coverage was the same as last year, while Scope 3 emissions added “Waste Generated in Operations”, and “Investment” has expanded to include "Corporate Bonds", "Real Estate Investment Trusts (REITs)", "Sovereign Bonds", "Commercial Real Estate Loans", "Real Estate Secured Loans", "Project Financing", and "Transportation Loans". In 2024, the inventory scope and emission categories was the same as last year.

Note 6: The external verifying unit for 2019, 2021 and 2022 was SGS Taiwan, and the verifying unit for 2020 was the BSI Taiwan. In 2023 and 2024, the verifying unit was DNV.

Note 7: Types of GHG emissions include CO_2, CH_4, N_2O and HFCs.

GHG Scope 3 Emissions in 2024

Unit: Metric tons of CO_2e

Scope 3 Categories	Emissions
1. Purchased goods and services	2440.02
2. Capital goods	1148.24
3. Fuel-and- energy-related activities (third-party certified)	2,954.14
4. Upstream transpoartation and distribution	79.36
5. Waste generated in operations (third-party certified)	99.59
6. Business travel (third-party certified)	427.44
7. Employee commuting	3411.96
8. Upstream leased assets	-
9. Downstream transportation and distribution	37.41
10. Processing of sold products	-
11. Use of sold products	40.47
12. End-of-life treatmenst of sold products	0.57
13. Downstream leased assets	77.17
14. Franchises	-
15. Investments (third-party certified)	9,006,084.67
Other upstream	-
Other downstream (third-party certified)	42,586.17
Total Emissions	9,059,387.21

Note 1: Some items are not applicable due to industry charateristics or business models.

Note 2: The Group's 2024 scope 3 inventoy scope covers all domestic operational units of Mega Financial Holding and its subsidiaries, which categories include “Business Travel”, Upstream Purchased Electricity”,” Waste generated in operations” and “Investment”. Categories without third-party verification include overseas operation units’ data.

Note 3: The external verifying unit was DNV.

The GHG Emissions and Emission Intensity of Mega Financial Holding and its Subsidiaries for 2024

Items	Domestic Locations	Overseas Locations	All Locations
Number of Business Locations of the Group (Exclude the same address)	192	39	231*
Third-party Verification Coverage Rate (%)	100%	100%	100%
Direct GHG Emissions (Scope 1)	2,401.68	237.18	2,638.86
Emission Intensity of Scopes 1 (Metric tons of CO_2e/ thousand NTD net revenue)	0.00002877	0.00000284	0.00003161
Energy Indirect GHG Emissions (Scope 2)	13,127.46	1,801.26	14,928.72
Emission Intensity of Scopes 2 (Metric tons of CO_2e/ thousand NTD net revenue)	0.00015724	0.00002158	0.00017882

Note 1: The external verifying unit for domestic locations in 2024 was DNV GL International Certification Company; the external verifying unit for Mega Bank's overseas locations in 2024 was ARES International Certification Company.

Note 2: Emission Intensity is calculated by the Group's net revenue due to the characteristics of the financial industry.

Note 3: The number of business locations of the Group is 234, with * indicating the actual inventory of locations exclude the same address.

Water Consumption in the Past 4 Years

Unit: Million Liter

Items	Source	2021	2022	2023	2024
Water Withdrawal	Third-party Water (Taiwan Water Corporation)	187.920	183.047	194.491	195.970
Water Consumption per Capita		0.02212	0.02084	0.02142	0.02082

Note 1: The calculation of water consumption data is based on the actual water consumption month, and the scope includes the 192 business locations (deduct the same address) in Taiwan. Water was mainly supplied for air conditioning and to employees for daily use.

Note 2: Water sources were from municipal water supplies, which are fresh water (≤1,000 mg/L total dissolved solids), without the use of groundwater or otherwise. Used wastewater was discharged into sewers.

Note 3: Using the water resource risk assessment tool of the World Resources Institute (WRI), revealed that the Company's business locations in Taiwan are all situated in areas with low-medium water stress level.

Emission Reduction Practices in the Past 4 Years

Type of Activity	Year	Estimated GHG Reduction (Metric tons/CO_2e)	Compared to the Previous Year (%)	Input Cost (NTD)	Description of Emission Reduction Practices
Use Low-Carbon Energy	2021	190.76 (380T-RECs)	6.47%	700,457	In 2022, we purchased 298 renewable energy certificates (T-RECs) from National Penghu University of Science & Technology; In 2023 and 2024, we purchased green power from Tatung Forever Energy. The power generation type all belongs to solar energy.
	2022	151.68 (298T-RECs)	-20.49%	655,898	
	2023	1,061.78	600.01%	11,658,254	
	2024	4,634.21	336.46%	52,719,820	
Reduce Scope 1 Emissions: Reduce Gasoline Consumption	2021	18.14	-1.80%	21,558,000	The gasoline consumption was mainly from company cars. The action plan is as follows: – Video conferences were launched to replace business trips. For necessary business trips, mass transportation was encouraged to avoid the use of gasoline. – Eco-labeled cars, hybrid cars, and electric motorcycles were rented as company cars to increase fuel efficiency. – In 2024, the number of gasoline-electric hybrid vehicles has reached 80% of the total number of official vehicles purchased in that year. Finally, the number of electric vehicles or gasoline-electric hybrid vehicles will reach 100% of the total number of official vehicles purchased in 2026.
	2022	60.81	235.24%	29,210,984	
	2023	195.29	221.14%	41,166,400	
	2024	71.13	-63.58%	46,591,600	
Reduce Scope 2 Emissions: Reduce Electricity Consumption	2021	250.11	-1.42%	17,485,000	Electricity was mainly consumed by office equipment. Thus, energy-consumption equipment is managed by controlling the use of air conditioning facilities, elevators, lights, computers, and printers to effectively reduce electricity consumption. The action plan is as follows: – A total of 185 air conditioners were replaced, and Mega Financial Building and Mega Heng-Yang Building replaced energy-saving air-cooled chillers. – Introduce natural lighting and reduce the number of lamps in staircases; install infrared sensors to automatically switch lights on and off in areas with less usage. – Control electricity consumption according to the power conservation plan implemented by Taiwan Power Company. – Implement training courses on energy conservation and post energy conservation slogans to save electricity of air conditioning, elevators, computers, and water dispensers. – Mega Bank organized an internal energy-saving competition to guide each unit to implement energy conservation and carbon reduction.
	2022	746.91	198.63%	40,059,928	
	2023	856.12	14.62%	26,247,200	
	2024	3,837.23	348.21%	26,428,445	

Note 1: Estimated reduction of Scope 1 emissions was calculated using the "GHG Emission Factor Management Table Version 6.0.4" published by the EPA.

Note 2: Estimated reduction of Scope 2 emissions was calculated using the "Electricity Carbon Emission Factor for Electricity Retailing Utility Enterprise" published by the Bureau of Energy.

Waste Output in the Past 4 Years

Unit: Metric tons

Year		2021	2022	2023	2024
Type / Scope		5 Self-owned Office Buildings	All Domestic Locations	All Domestic Locations	All Domestic Locations
Direct Disposal	General Waste (non-recyclable)	125.756	314.532	338.771	262.706
	Kitchen Waste	18.751	49.713	43.470	34.179
	Total	144.507	364.245	382.242	296.885
Recycled Resources (Reused)	Paper Containers, Waste Paper	48.634	175.533	191.405	166.838
	Iron and Aluminum	0.861	2.946	2.535	2.257
	Cans	2.157	12.527	13.076	12.824
	Plastics	0.027	1.822	1.493	1.083
	Glass	0.180	0.222	0.128	0.081
	Batteries	0.454	0.546	0.551	0.078
	Light Tubes/ Bulbs	52.313	193.596	209.188	183.161
Total Waste Output		Total	557.841	591.430	480.046
General Waste per Capita		-	-	0.03731	0.02830

Note 1: The scope of data on wastes before 2021 included Mega Group's five main office buildings (Mega Financial Building, Mega Chi-Lin Building, Mega Securities Building, Mega Insurance Building, and Mega Heng-Yang Building). In 2022, we expanded the statistics of waste in all domestic locations.

Note 2: Mega Group's main operating activities are carried out in an office environment; therefore, do not produce any hazardous waste.

Note 3: All wastes are treated off-site. General wastes are mainly incinerated, and kitchen wastes are disposed of as animal feeds and composting.

9.1.2 Social Metric Data

Inclusive Financial Achievements

Items		Units	2021	2022	2023	2024
Happy LOHAS-reverse Mortgage	Cumulative Number of Borrowers	Cases	52	63	88	149
	Cumulative Amount Approved	100 million NTD	4.65	6.15	8.59	13.62
Retirement Trusts	Cumulative Number of Beneficiaries	People	1,145	1,269	4,353	7,233
	Cumulative Scale of Property	100 million NTD	49.22	52.02	143.85	211.11
Government Concessional Loans for Youth Housing	Cumulative Number of Borrowers	Cases	21,580	22,816	25,666	31,710
	Accumulated Amount Drawling	100 million NTD	983.45	1,058.92	1,276.71	1,790.92
Youth Entrepreneurship and Start-up Loans	Cumulative Number of Borrowers	Cases	2,110	2,541	2,850	3,108
	Accumulated Amount Drawling	100 million NTD	19.86	25.12	29.53	32.81
SMEs Loans	Number of Borrowers	Cases	20,841	21,061	20,869	18,029
	Loans Outstanding at the End of the Year	100 million NTD	5,966	6,217	6,496	7,084
Loans for Small-sized Enterprises and Community	Number of Borrowers	Cases	16,255	16,121	15,808	13,019
	Loans Outstanding at the End of the Year	100 million NTD	1,381	2,446	2,602	2,871
Loans for Urban Renewal, Reconstruction of Dangerous and Old Buildings	Number of Applications	Applications	47	65	41	60
	Approved Loan Limit	100 million NTD	345.21	539.15	417.99	660.66

Inclusive Financial Achievements

Items		Units	2021	2022	2023	2024
International Micro Loans	Number of Applications	Applications	6	9	9	8
	Approved Loan Limit	100 million NTD	21.1	48.32	44.21	31.88
Microinsurance	Number of Policies	Policies	780	692	516	460
	Insurance Premium	Thousand NTD	1,242	1,323	1,535	1,822
Agricultural Insurance	Number of Policies	Policies	26	26	35	34
	Insurance Premium	Thousand NTD	1,173	1,229	1,535	1,191
Group Medical Insurance (Applicated by Foreign Workers, Caretakers and Fishers)	Number of Insured People	People	8,910	14,400	132,971	282,929
	Insurance Premium	Thousand NTD	3,123	3,964	6,706	9,746
Personal Injury Insurance for Elders	Number of Policies	Policies	343	443	544	992
	Insurance Premium	Thousand NTD	1,629	2,337	2,896	4,736
Retirement Financial Planning Service		Number of People Served	1,891	2,782	3,321	4,173
Accessible ATMs		Number of ATMs	461	447	471	446
Accessible ATMs for Visually Impaired		Number of ATMs	10	13	103	166

Note 1: "Small-sized enterprises and community development" is defined as enterprise who met any criteria bellow: (1) is founded less than 5 years; (2) total employee is under 20 people; (3) with a capital of less than NTD$5 million; (4) annual revenue is less than NTD$10 million.

Note 2: For details, please refer to 5.2.1 Inclusive Financing Products.

Note 3: The number of SMEs and community development loans in 2024 is totaled 18,086.

Global Workforce in the Past 4 Years

Items / Year		2021 Number of Employees	2022 Number of Employees	2023 Number of Employees	2024 Number of Employees
Full-time Workers	Female	5,438	5,581	5,697	5,817
	Male	3,806	3,856	3,962	3,978
	Taiwan	8,449	8,658	8,883	9,010
	Oversea	795	779	776	785
	Subtotal	9,244	9,437	9,659	9,795
Part-time (temporary) Workers	Female	315	183	155	148
	Male	129	89	76	75
	Subtotal	444	272	231	223
Number of Workers in Subsidiaries which are not included in this Report		692	268	270	270
Total		10,380	9,977	10,160	10,286

Note 1: Dispatched workers are temporary (non-guaranteed hours) and part-time workers, mainly drivers and students working part-time. Drivers are mainly responsible for picking up and dropping off managerial officers. Students working part-time are responsible for delivering documents, arranging meetings, and performing other miscellaneous tasks.

Note 2: For details, please refer to 7.1.1 Talent Resources and Structure.

Global Workforce of Female Employees in the Past 4 Years

Items / Year	2021 Number of Employees	2021 Ratio	2022 Number of Employees	2022 Ratio	2023 Number of Employees	2023 Ratio	2024 Number of Employees	2024 Ratio
Total Number of Female Employees	5,438	58%	5,581	59%	5,697	59%	5,817	59%
Women in all Management Positions	1,445	52%	1,465	53%	1,471	53%	1,528	54%
Women in Top Management (Vice President or above)	16	38%	15	41%	14	38%	14	39%
Women in Middle Management (Unit Managers)	104	30%	102	30%	108	31%	112	33%

Global Workforce of Female Employees in the Past 4 Years

Items / Year	2021		2022		2023		2024	
	Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio
Women in Junior Management (Non-Unit Managers)	1,325	55%	1,348	56%	1,349	57%	1,402	57%
Women in Management Positions in Revenue-Generating Functions	938	55%	1,054	54%	1,017	55%	1,221	59%
Women in STEM-related Positions	268	33%	403	40%	591	44%	606	44%

Note 1: Revenue generating functions are counted by business (e.g. sales units), excluding supporting units such as human resources, legal compliance and auditing.

Note 2: STEM-related positions (Science, Technology, Engineering and Mathematics) are counted by positions involving statistics, mathematics, and actuarial calculation, such as investment department, information department, etc.

Note 3: The non-full-time employees of Mega Group are all in Taiwan. There are 8,883 (92%) full-time employees in Taiwan, and 776 (8%) in overseas.

Note 4: For details, please refer to 7.1.1 Talent Resources and Structure.

Global Workforce of Employees with Physical and Mental Disabilities in the Past 4 Years

Items / Year		2021	2022	2023	2024
		Number of Employees	Number of Employees	Number of Employees	Number of Employees
Gender	Female	23	23	24	25
	Male	31	32	31	35
Age	Under 29	1	1	1	1
	30-50	21	21	23	23
	51 and above	32	33	31	36
Region	Taiwan	53	54	54	59
	Oversea	1	1	1	1
Position	Management	3	6	7	20
	Non-Management		49	48	40
Total		54	55	55	60

Note : For details, please refer to 7.1.2 Employee Diversity.

Global Workforce of Indigenous Employees in the Past 4 Years

Items / Year		2021	2022	2023	2024
		Number of Employees	Number of Employees	Number of Employees	Number of Employees
Gender	Female	8	7	6	8
	Male	2	2	4	4
Age	Under 29	2	1	1	3
	30-50	8	8	9	9
	51 and above	0	0	0	0
Region	Taiwan	10	9	10	12
	Oversea	0	0	0	0
Position	Management	0	0	1	1
	Non-Management	10	9	9	11
Total		10	9	10	12

Note : For details, please refer to 7.1.2 Employee Diversity.

Global Workforce by Nationality in the Past 3 Years

Nationality	2022				2023				2024			
	Number of Employees	Ratio of Total Employees	Number of Management Positions	Ratio of Total Employees	Number of Employees	Ratio of Total Employees	Number of Management Positions	Ratio of Total Employees	Number of Employees	Ratio of Total Employees	Number of Management Positions	Ratio of Total Employees
Taiwan	8,947	94.8%	2,714	97.7%	9,174	95.0%	2,708	97.7%	9,312	95.1%	2,755	97.1%
China	144	1.5%	18	0.6%	145	1.5%	18	0.7%	142	1.4%	17	0.6%
United States	68	0.7%	11	0.4%	60	0.6%	16	0.6%	55	0.6%	14	0.5%
Cambodia	86	0.9%	4	0.1%	93	1.0%	2	0.1%	98	1.0%	7	0.2%
Vietnam	45	0.5%	4	0.1%	47	0.5%	4	0.1%	48	0.5%	4	0.1%
Philippines	33	0.3%	3	0.1%	35	0.4%	3	0.1%	35	0.4%	4	0.1%
Canada	17	0.2%	3	0.1%	14	0.1%	3	0.1%	15	0.2%	6	0.2%
Singapore	17	0.2%	2	0.1%	18	0.2%	2	0.1%	20	0.2%	9	0.3%
Others	80	0.9%	19	0.8%	73	0.7%	15	0.5%	70	0.6%	20	0.9%
Total	9,437	100%	2,778	100%	9,659	100%	2,771	100%	9,795	100%	2,836	100%

Note : For details, please refer to 7.1.2 Employee Diversity.

Global Workforce of New Hired Employees in the Past 4 Years

Items / Year		2021		2022		2023		2024	
		Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio
Gender	Female	387	60.6%	555	57.8%	487	55.0%	478	62%
	Male	252	39.4%	405	42.2%	398	45.0%	290	38%
Age	Under 29	303	47.4%	489	50.9%	448	50.6%	437	57%
	30-50	311	48.7%	440	45.8%	405	45.8%	311	40%
	51 and above	25	3.9%	31	3.2%	32	3.6%	20	3%
Region	Taiwan	546	85.4%	836	87.1%	763	86.2%	664	86%
	Overseas	93	14.6%	124	12.9%	122	13.8%	104	14%
Position	Management	-	-	-	-	26	2.9%	8	1%
	Non-Management	-	-	-	-	859	97.1%	760	99%
Total		639	100%	960	100%	885	100%	768	100%

Note : For details, please refer to 7.1.3 New Hired and Resigned Employees.

Global Workforce of Resigned Employees in the Past 4 Years

Items / Year		2021		2022		2023		2024	
		Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio
Gender	Female	292	59.5%	309	56.9%	299	58.9%	291	55%
	Male	199	40.5%	234	43.1%	209	41.1%	236	45%
Age	Under 29	160	32.6%	193	35.5%	186	36.6%	166	31%
	30-50	282	57.4%	300	55.2%	282	55.5%	231	44%
	51 and above	49	10.0%	50	9.2%	40	7.9%	130	25%
Region	Taiwan	347	70.7%	411	75.7%	386	76.0%	426	81%
	Oversea	144	29.3%	132	24.3%	122	24.0%	101	19%
Position	Management	-	-	-	-	32	6.3%	101	19%
	Non-Management	-	-	-	-	476	93.7%	426	81%
Total		491	100%	543	100%	508	100%	527	100%

Note : For details, please refer to 7.1.3 New Hired and Resigned Employees.

Training of Full-Time Employees in the Past 4 Years

Unit: hours

Items / Year		2021		2022		2023		2024	
		Total Training Hours	Average Training Hours per Person	Total Training Hours	Average Training Hours per Person	Total Training Hours	Average Training Hours per Person	Total Training Hours	Average Training Hours per Person
Gender	Female	275,617	50.7	287,068	51.4	373,202	65.5	361,586	62.2
	Male	201,506	52.9	206,057	53.4	258.511	65.3	250,915	63.1
Management Positions	All Management	184,554	66.2	187,502	67.5	198,337	71.6	192,801	68.0
	Top Management	2,130	50.7	2,858	77.2	1,998	54.0	2,187	60.8
	Middle Management	17,472	50.9	18,741	55.1	22,816	65.0	22,711	66.0
	Junior Management	164,952	68.7	165,903	69.1	173,523	72.8	167,903	68.4
	Non-Management	292,570	44.8	305,623	45.9	433,376	62.9	419,700	60.3
Type	Internal Training	386,274	41.8	362,741	38.5	442,651	45.8	463,250	47.3
	External Training	90,849	9.8	130,384	13.8	189,062	19.6	149,251	15.2
Total		477,123	51.6	493,125	52.3	631,713	65.4	612,501	62.5

Note 1: Average training hours per person by each item =Total training hours by each item/Number of employees by each item. Average training hours = Total training hours /Number of full-time employees.

Note 2: For details, please refer to 7.2.1 Education and Training.

Professional Licenses and Certifications Subsidies of Full-Time Employees in the Past 4 Years

Unit: thousand NTD

Items		2021		2022		2023		2024	
		Number of mployees	Total Amount	Number of mployees	Total Amount	Number of mployees	Total Amount	Number of mployees	Total Amount
Gender	Female	329	391	568	804	674	1,072	908	1,326
	Male	211	397	343	602	422	601	522	791
Position	Management	109	240	148	229	166	233	253	358
	Non-Management	431	548	763	1,177	930	1,440	1177	1,759
Total		540	788	911	1,406	1,096	1,673	1,430	2,117

Note : For details, please refer to 7.2.1 Education and Training.

Health Examination of Full-Time Employees in the Past 4 Years

Items / Year		2021	2022	2023	2024
Gender	Female	2,092	2,724	1,924	2,868
	Male	1,889	2,072	1,743	2,171
Age	Under 39	1,347	1,209	1,028	1,399
	40-49	882	1,316	932	1,369
	50 and above	1,752	2,271	1,707	2,271
Region	Taiwan	3,922	4,705	3,556	4,878
	Oversea	59	91	111	161
Total		3,981	4,796	3,667	5,039

Note : For details, please refer to 7.3.2 Occupational Health and Safety (OHS).

Parental Leave of Full-Time Employees in the Past 4 Years

Items / Year	2021			2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of employees eligible for parental leave	213	102	315	170	135	305	165	256	421	159	117	276
Number of employees who took unpaid parental leave	83	9	92	105	32	137	80	21	101	92	22	114
Number of employees who should be reinstated	72	6	78	106	18	124	105	24	129	82	21	103
Number of employees who were reinstated	65	6	71	81	10	91	97	24	121	69	20	89
Reinstatement Rate (%)	90.3%	100.0%	91.0%	76.4%	55.6%	73.4%	92.4%	100.0%	93.8%	84.1%	95.2%	86.4%
Number of employees who were reinstated in the previous year	69	8	77	65	5	70	81	10	91	96	24	120
Number of employees still on the job 12 months after reinstatement in the previous year	53	5	58	61	5	66	78	10	88	90	22	112
Retention Rate (%)	76.8%	62.5%	75.3%	93.8%	100.0%	94.3%	96.3%	100.0%	96.7%	93.8%	91.7%	93.3%

Note 1: Reinstatement rate (%) = (Number of employees who were reinstated/Number of employees who should be reinstated) x100%.

Note 2: Retention Rate (%) = (Number of employees still on the job 12 months after reinstatement in the previous year/Number of employees who were reinstated in the previous year) x100%.

Note 3: For details, please refer to 7.3.1 Remuneration and Benefits.

Occupational Injury of Full-Time Employees in the Past 4 Years

Items / Year			2021	2022	2023	2024
Number of Injuries by Gender	Female		31	41	41	49
	Male		25	25	22	24
Type of Work-related Injury	Injury Sustained in the Workplace or During Duty Performance	High-consequence Work-related Injury	0	0	0	0
		Recordable Work-related Injuries	3	3	5	8
	Injury Sustained During Commute	High-consequence Work-related Injury	0	0	0	0
		Recordable Work-related Injuries	63	63	57	65
Total Number of Injuries			56	66	63	73
Total Number of Fatalities as a Result of Work-related Injury			0	1	0	1
Total Days Worked			2,289,532	2,348,318	2,393,700	2,316,886
Total Hours Worked			18,206,516	18,786,544	19,149,600	18,535,088
Total Number of Lost Days			633.6	711.38	635.13	525.63
Injury Rate (IR)			3.02%	3.51%	3.29%	3.94%
Rate of High-consequence Work-related Injuries (excluding fatalities)			0	0	0	0
Rate of Fatalities as a Result of Work-related Injury			0	0.05%	0	0.05%
Lost Day Rate (LDR)			36.85%	37.87%	33.17%	28.36%

Note 1: Injury Rate (IR), excluding personal commuting incidents (%) = (Total number of Injuries × 1,000,000) / Total hours worked × 100%.

Note 2: Rate of high-consequence work-related injuries, excluding fatalities (%) = (Number of high-consequence work-related injuries × 1,000,000) / Total hours worked × 100%.

Note 3: Rate of fatalities as a result of work-related injury (%) = (Number of fatalities as a result of work-related injury × 1,000,000) / Total hours worked × 100%.

Note 4: Lost Day Rate (LDR) = (Total number of lost days × 1,000,000) / Total hours worked × 100%.

Note 5: For details, please refer to 7.3.2 Occupational Health and Safety (OHS).

Absence Rate of Full-Time Employees in the Past 4 Years

Items / Year	2021	2022	2023	2024
Absent Days (Day)	8,132	10,171.09	8,040.37	8,494.54
Absence Rate (AR) (%)	0.36%	0.43%	0.34%	0.37%
Data Coverage Ratio (%)	100%	100%	100%	100%

Note 1: Absence Rate (AR) = Total number of absent days / Total days worked ×100%.

Note 2: Absent Days refer to the total number of lost days due to all forms of absence, including work-related injury, illness, menstrual leave, mild illness (e.g., cold, fever, or flu), and personal leave and sick leave for undisclosed reasons, and excluding pre-arranged or permitted absence (e.g., family care leave, holidays, training, maternity leave, paternity leave, marriage leave, compassionate leave, and official leave).

Note 3: For details, please refer to 7.3.2 Occupational Health and Safety (OHS).

9.2 Sustainability Standards Index Table

Content Index of the GRI Standards

Mega Financial Holdings has reported the content from January 1, 2024 to December 31, 2024 in accordance with the GRI Standards. During the reporting period of this report, no applicable GRI Sector Disclosure Standards have been published. The GRI 1: Foundation (2021) is used to compile this Sustainability Report.

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2-4	Restatements of information	About this Report	1
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2-8	Workers who are not employees	7.1 Diversified Recruitment 9.1 Sustainable Data	137 180
2-9	Governance structure and composition	2.1 Sustainability Framework 3.1 Corporate Governance 9.1 Sustainable Data	15 38 180
2-10	Nomination and selection of the highest governance body	3.1 Corporate Governance	38
2-11	Chair of the highest governance body		
2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Sustainability Framework	15
2-13	Delegation of responsibility for managing impacts	2.3 Identification of Stakeholders and Material Topics	18
2-14	Role of the highest governance body in sustainability reporting	About this Report	1
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2-16	Communication of critical concerns	2.1 Sustainability Framework 3.1 Corporate Governance	15 38
2-17	Collective knowledge of the highest governance body	2.3 Identification of Stakeholders and Material Topics 3.1 Corporate Governance 7.2 Talent Development	18 38 142
2-18	Evaluation of the performance of the highest governance body		
2-19	Remuneration policies		
2-20	Process to determine remuneration	3.1 Corporate Governance	38
2-21	Annual total compensation ratio	Omitted to disclose (due to salary confidentiality)	-
2-22	Statement on sustainable development strategy	Message from the Chairman	3
2-23	Policy commitments	2.3 Identification of Stakeholders and Material Topics	18
2-24	Embedding policy commitments	2.3 Identification of Stakeholders and Material Topics 3.2 Business Ethics 3.3 Risk Management 7.4 Human Rights Protection	18 44 46 160
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2-26	Mechanisms for seeking advice and raising concerns		
2-27	Compliance with laws and regulations	3.4 Regulatory Compliance	52
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2-29	Approach to stakeholder engagement	2.3 Identification of Stakeholders and Material Topics	18
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Material Topics

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3-3	Management of material topics		
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418-1	Substantiated complaints concerning breaches of customer privacy or loss of customer data	6.2 Information Security	125
Regulatory Compliance			
2-27	Compliance with laws and regulations	3.4 Regulatory Compliance	52
Corporate Governance			
GRI 205 Anti-Corruption (2016)			

Disclosure Items		Corresponding Chapters	Page
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205-3	Confirmed incidents of corruption and actions taken		
Business Ethics			
GRI 205 Anti-Corruption (2016)			
205-2	Communication and training about anti-corruption policies and procedures	3.2 Business Ethics	44
205-3	Confirmed incidents of corruption and actions taken		
GRI 206 Anti-Competitive Behavior (2016)			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There is no related incident in the reporting year.	-
Sustainable Finance			
GRI 203 Indirect Economic Impacts (2016)			
203-2	Significant indirect economic impacts	5.1 Sustainable Finance 5.2 Financial Inclusion	91 109
Risk Management			
2-25	Processes to remediate negative impacts	2.3 Identification of Stakeholders and Material Topics 3.3 Risk Management	18 46
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GRI 205 Anti-Corruption (2016)			
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201-2	Financial implications and other risks and opportunities due to climate change	4.1 Climate Action	63
201-3	Defined benefit plan obligations and other retirement plans	7.3 Happy Workplace (for details, please refer to the 2024.Q4 of Consolidated Financial Report.)	150
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GRI 418 Customer Privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.2 Information Security	125
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-	Customize Topic	6.1 Customer Relationship	118
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401-3	Parental leave		
GRI 403 Occupational Health and Safety (2018)			
403-1	Occupational health and safety management system		
403-2	Hazard identification, risk assessment, and incident investigation		
403-3	Occupational health services		
403-4	Worker participation, consultation, and communication on occupational health and safety		
403-5	Worker training on occupational health and safety	7.3 Happy Workplace 9.1 Sustainable Data	150 180
403-6	Promotion of worker health		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-8	Workers covered by an occupational health and safety management system		
403-9	Work-related Injury		
GRI 405 Diversity and Equal Opportunity (2016)			
405-1	Diversity of governance bodies and employees	3.1 Corporate Governance 7.1 Diversified Recruitment 9.1 Sustainable Data	35 137 180
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Disclosure Items		Corresponding Chapters	Page
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201-3	Defined benefit plan obligations and other retirement plans	7.3 Happy Workplace (for details, please refer to the 2024.Q4 of Consolidated Financial Report)	150
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203-2	Significant indirect economic impacts	5.1 Sustainable Finance 5.2 Financial Inclusion	91 109
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305-1	Direct (Scope 1) GHG emissions	4.3 Green Operation 9.1 Sustainable Data	84 180
305-2	Energy indirect (Scope 2) GHG emissions		
305-3	Other indirect (Scope 3) GHG emissions		
305-5	Reduction of GHG emissions		
Financial Inclusion			
GRI 203 Indirect Economic Impacts (2016)			
203-2	Significant indirect economic impacts	5.1 Sustainable Finance 5.2 Financial Inclusion	91 109
Social Commitment			
GRI 203 Indirect Economic Impacts (2016)			
203-2	Significant indirect economic impacts	5.1 Sustainable Finance 5.2 Financial Inclusion	91 109
GRI 413 Local Communities (2016)			
413-2	Operations with significant actual and potential negative impacts on local communities	8.2 Social Commitment	171

General Disclosure

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101-2	Management of biodiversity impacts	4.3 Grenn Operation 4.4 Sustainable Procurement 5.1 Sustainable Finance	84 87 91
101-3	Access and benefit-sharing	5.1 Sustainable Finance 8.2 Social Commitment	91 171
101-4	Identification of biodiversity impacts	4.2 Natural Ecosystems (for detailed information on the 2024 nature-related assessment and analysis, please refer to the 2024 Climate and Nature Report)	73
101-5	Locations with biodiversity impacts		
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201-2	Financial implications and other risks and opportunities due to climate change	4.1 Climate Action	63
201-3	Defined benefit plan obligations and other retirement plans	7.3 Happy Workplace (for details of benefits program, please refer to the 2024.Q4 of Consolidated Financial Report)	150
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GRI 205 Anti-Corruption (2016)			
205-2	Communication and training about anti-corruption policies and procedures	3.2 Business Ethics	44
205-3	Confirmed incidents of corruption and actions taken		
GRI 206 Anti-Competitive Behavior (2016)			
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GRI 207 Tax (2019)			
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401-1	New employee hires and employee turnover	7.1 Diversified Recruitment 7.3 Happy Workplace 9.1 Sustainable Data	137 150 180
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404-1	Average hours of training per year per employee	9.1 Sustainable Data	180
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GRI 413 Local Communities (2016)			
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GRI 417 Marketing and Labeling (2016)			
417-2	Incidents of non-compliance concerning product and service information and labeling	6.1 Customer Relationship	118
417-3	Incidents of non-compliance concerning marketing communications		
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SASB (Sustainability Accounting Standards)

SASB Commercial Banks (2018)

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	FN-CB-230a.2	Description of approach to identifying and addressing data security risks		
Financial Inclusion And Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	5.2 Financial Inclusion	109
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development		
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Not Applicable (accounts currently provided by banks in Taiwan are all no-cost retail checking accounts)	-
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	5.2 Financial Inclusion 8.1 Financial Education	109 169
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	FN-CB-510a.2	Description of whistleblower policies and procedures	3.2 Business Ethics (There is no violation of whistleblowing laws during the reporting year)	44
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	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	3.3 Risk Management	46
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	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate		

Taiwan Stock Exchange "Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies"

Article Contents			Corresponding Chapters	Page
Article 3	A listed company which meets the requirements under Article 2 of the Rules shall prepare an annual Sustainability Report for the preceding year by referring to the Global Reporting Initiatives (GRI) Standards published by the GRI, Sector Disclosure and other applicable rules according to its sector features. In the report, the company shall disclose its identified material economic, environmental and people (including human rights) topics, management approach, topic-specific disclosure, and its reporting requirements, which shall, at a minimum, meet the core option of the GRI Standards. The company should also disclosure its related Sustainability Accounting Standards Board (SASB) industry metrics in its report's annex. The Sustainability Report mentioned in the preceding paragraph shall include relevant environmental, social and corporate governance risk assessments and lay out the performance indicators to manage the material topics identified. In the Sustainability Report, a listed company shall disclose what Content Index of the GRI Standards corresponds to the contents of the report and specify in the report whether the topic-specific disclosures have been assured or verified by a third party. The topic-specific disclosure referred to in Paragraph 1 shall be evaluated and disclosed by adopting the standards in compliance with the rules of the competent authorities. If the competent authorities have not promulgated the applicable standards, the company shall adopt the approach of evaluation commonly used in practice.		About this Report 2.3 Identification of Stakeholders and Material Topics 9.2 Sustainability Standards Index Table 9.3 Verification Statement by External Independent Parties	1 18 190 201
Article 4	In addition to the content referred to in the preceding article, the Sustainability Report prepared by a listed company shall emphasize the following matters:			
	Table 1-3	A. Number of data breaches, percentage involving personally identifiable information, and number of account holders affected.	6.2 Information Security	125
		B. Number and amount of loans outstanding qualified to programs designed to promote development of small business and communities.	5.2 Financial Inclusion	109
		C. Number of participants in financial literacy initiatives provided to the disadvantaged without adequate banking services.	5.2 Financial Inclusion 8.1 Financial Education	109 169
		D. Products and services designed by individual operating units to create benefits for the environment or society.	5.1 Sustainable Finance 5.2 Financial Inclusion	91 109
Article 4-1	A listed company under Article 2 shall disclose the following:			
	Table 2	A. Describe how the Board of Director and the management team oversight and governance the climate-related risks and opportunities. B. Describe how the identified climate risks and opportunities affect the business, strategy and finances of the business (short, medium and long term). C. Describe the financial impact of extreme climate events and transitional actions. D. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system. E. If scenario analysis is used to assess resilience to climate change risks, please describe the scenarios used, parameters, assumptions, analysis factors and major financial impacts. F. If there is a transition plan to manage climate-related risks, please describe the content of the plan, and the metrics and targets used to identify and manage physical and transition risks. G. If internal carbon pricing is used as a planning tool, please describe the basis for setting the price. H. If climate-related targets are set, please describe the covered activities, scope of GHG emissions, planning schedule, annual progress and other information; If carbon offsets or renewable energy certificates (RECs) are used to achieve relevant targets, please describe the source and amount of carbon reduction credits or the number of RECs to be offset. I. Greenhouse Gas Inventory and Assurance, as well as reduction targets, strategies and action plans	4.1 Climate Action 9.1 Sustainable Data	63 180

ISO 26000 Social Responsibility Guidance

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	Consumer Data Protection and Privacy	6.2 Information Security	125
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Community Involvement and Development	Technology Development and Access	6.3 Digital Innovation	130
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	Health	8.2 Social Commitment	171
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UNGC (UN Global Compact)

Disclosure Items		Corresponding Chapters	Page
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	7.4 Human Rights Protection	160
	Make sure that they are not complicit in human rights abuses		
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	7.1 Diversified Recruitment 7.4 Human Rights Protection	137 160
	The elimination of all forms of forced and compulsory labor		
	The effective abolition of child labor		
	The elimination of discrimination in respect of employment and occupation		
Environment	Businesses should support a precautionary approach to environmental challenges	4.1 Climate Action 4.3 Green Operation	63 84
	Undertake initiatives to promote greater environmental responsibility	4.3 Green Operation 4.4 Sustainable Procurement	84 87
	Encourage the development and diffusion of environmentally friendly technologies	6.3 Digital Innovation	130
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	3.2 Business Ethics	44

TCFD (Task Force on Climate-related Financial Disclosures)

Level	Disclosure Items	Indicators for General Industry	Corresponding Chapters	Page
Governance	a	Describe the board's oversight of climate-related risks and opportunities	4.1 Climate Action 4.1.1 Climate Governance	63 63
	b	Describe management's role in assessing and managing climate-related risks and opportunities		
Strategy	a	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	4.1 Climate Action 4.1.2 Climate Strategy	63 64
	b	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning		
	c	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario		
Risk Management	a	Describe the organization's processes for identifying and assessing climate-related risks	4.1 Climate Action 4.1.3 Climate Risk Management	63 70
	b	Describe the organization's processes for managing climate-related risks		
		Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management		
Metrics & Targets	a	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	4.1 Climate Action 4.1.4 Climate Metrics and Targets	63 72
	b	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks		
	c	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets		

TNFD (Task Force on Nature-related Financial Disclosures)

Level	Disclosure Items	TNFD Recommended Disclosures	Corresponding Chapter	Page
Governance	a	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	4.2.1 Nature-Related Financial Disclosure	73
	b	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities		
	c	Describe the organisation's human rights policies and engagement activities, and oversight by the board andmanagement, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	Please refer to 2024 Mega Financial Holding Climate and Natural Environment Report	-
Strategy	a	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term	4.2.3 Nature-Related Risks and Opportunities	77
	b	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation'sbusiness model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.		
	c	Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.		
	d	Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	Please refer to 2024 Mega Financial Holding Climate and Natural Environment Report	-
Risk Management	a(i)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	4.2.4 Nature-related risks Overlay Analysis	79
	a(ii)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	4.2.4 Nature-related risks Overlay Analysis 4.2.3 Nature-Related Risks and Opportunities	79 77
	b	Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities.	In planning	-
	c	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.	4.2.1 Nature-Related Financial Disclosure	73
Metrics & Targets	a	Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process	4.2.5 Nature Metrics and Targets	82
	b	Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.		
	c	Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.		

Progress of Commitments of the FSC's "Coalition of Movers and Shakers on Sustainable Finance"

Commitments	Project Goals	Achievements in 2024	Corresponding Chapter	Page
Green Procurement	Once again selected as an "Private Enterprise and Organization in Promoting Green Procurement" announced by the Ministry of Environment before the end of 2024.	Mega Bank received the "2023 Private Enterprise and Organization Green Procurement Award" announced by the Ministry of Environment.	CH4 Sustainable Environment	62
	By the end of 2024, circular procurement that can promote product resource recycling were included in green procurement projects.	Mega Financial Holding has completed the revision of the green procurement related contents of the "Sustainable Development Policy", "Sustainable Development Best Practice Guidance", and "Supplier Sustainability Management Guidelines", and each subsidiary has also incorporated green procurement.		
Information Disclosure	For disclosure items involving environmental issues in the 2024 sustainability report that involve statistical values, or for statistical values in the TCFD report, third-party confirmation or assurance should be obtained.	1.In 2024, the Group's ISO 14064 GHG Inventory obtained the certification from independent third-party organization DNV. 2.In 2024, the annual sustainability report was certified by ISAE 3000 from Deloitte & Touche, Taiwan. 3.In 2024, the Climate and Environmental Report obtained certification from SGS, an independent third-party organization.	CH9 Appendix	179
	By the end of 2025, refer to the "Finance-related Carbon Emission Calculation Guide" to publicly disclose the total carbon emissions and industry sectors of emission-intensive operators in major domestic investment and financing positions in Taiwan.	The total carbon emissions and industry sectors of emission-intensive operators in investment and financing positions have been disclosed in the 2024 Climate and Environmental Report.	CH9 Appendix	179
	By the end of 2025, disclose the carbon reduction targets, strategies and specific action plans for Scope 1, 2 and 3 with reference to the "Finance-related Carbon Reduction Target Setting and Strategic Planning Guide".	Mega Financial Holding has set the SBTi.	CH4 Sustainable Environment	62
Investment, Financing and Engagement	By the end of 2025, select more than half of the companies with high carbon emissions in major domestic investment and financing positions for engagement, and the engagement targets will be encouraged to set a net zero emission target before 2050. Those in the Coalition of Movers and Shakers on Sustainable Finance that have met the aforementioned agreed engagement goals should commit to setting more proactive goals and practices and do their best to achieve them.	Mega Financial Holding established the Engagement Policy in 2024 to strengthen communication and engagement with stakeholders. The Group's subsidiaries continue to actively communicate with customers through various channels. The subsidiaries completed engagement with 52 high-carbon emission companies in 2024. Engagement was carried out through holding ESG engagement meetings, attending investee companies' shareholders' meetings and distributing Engagement Questionnaires. Of these, 23 have set medium- and long-term carbon reduction targets by 2050.	CH5 Sustainable Finance	90
	The amount or proportion of investment and financing for for forward-looking economic activities or the industries in the key strategies of the Pathway to Net-Zero Emissions in 2050 published by the National Development Council's 2050 Net Zero Emissions Pathway should increase compared to the previous year and achieve the self-set target.	Mega Financial Holding supports green and sustainable development industries or targets as defined in the "Guidelines for the Management of ESG/Sustainability-Related Industries and High-Risk Industries". The above-mentioned investment and financing balance in 2024 was NT$162,074 million, an increase from the previous year and achieving the self-set target.	CH5 Sustainable Finance	90
	By the end of 2025, identify the nature-related financial risks of Equator Principles project financiers based on TNFD recommendations.	Mega Group selected an offshore wind power financing project that applies the Equator Principles, analyzed the potential impact of bird migration on wind turbine operations, and conducted scenario analysis and financial impact assessment on the repayment capacity.	CH4 Sustainable Environment	62

Commitments	Project Goals	Achievements in 2024	Corresponding Chapter	Page
Assistance and Promotion	By the end of 2024, provide at least one sustainable application or analytical tool that is helpful to the market or the public.	Mega Securities launched the "ESG Intelligent Sustainability Data Platform" in 2024 to help investors incorporate the ESG performance of target companies into investment evaluation references.	CH5 Sustainable Finance	90
	By the end of 2024, host or participate in at least two experience-sharing seminars on the financial industry.	1. 2024/6 The Bankers Association, the Taiwan Academy of Banking and Finance, and the European Chamber of Commerce Taiwan jointly organized the "2024 ESG Finance Leaders Roundtable Forum", and the Group sent representatives to serve as panelists. 2. 2024/11 Mega Financial Holding and National Cheng Kung University jointly organized the "2024 5th International Trends and Prospects Forum of Sustainable, Transition FinTech Impact Investing", with President Hsiao and Chief Information Security Officer Chen serving as panelists.	CH5 Sustainable Finance	90
	Conduct at least one employee awareness survey or test on net-zero transformation-related knowledge and industry development trends before the end of 2024.	In response to ESG sustainability trends at home and abroad, Mega Financial Holding invited external speakers to share their views on the recent topics of concern - financial institutions' anti-greenwashing and international human rights issues. The goal was to educate the employees of the Group and its subsidiaries. A post-session test was also conducted after the seminar in order to check the learning effectiveness of the employees.	CH7 Employee Care	136
Meet International Standards	From January 1, 2023 to the end of 2024, be selected (including continued selection) for one international sustainability ranking, or join one new important international initiative.	Mega Financial Holding has been consecutively selected as a Dow Jones Sustainability Index (DJSI) Emerging Markets Index and World Index Constituent Stock, rated AA by the MSCI ESG Index, and rated A in the CDP Climate Change Questionnaire among other international sustainability ratings.	CH2 Sustainability Strategies CH4 Environmental Sustainability	14 62

9.3 Verification Statement by External Independent Parties

Third-Party Verification Statement for Sustainable Information

ISO 14001: 2015 Environmental Management System



Mega Financial Holding obtained ISO 14001 certification on September 5, 2022, valid from September 5, 2022 to September 4, 2025

ISO 50001: 2018 Energy Management System



Mega Financial Holding obtained ISO 50001 certification on September 20, 2022, valid from September 20, 2022 to September 20, 2025



Mega Bank obtained ISO 50001 re-validation on October 7, 2024, valid from October 7, 2024 to October 7, 2027

ISO 14067: 2018 Carbon Footprint Verification Statement



Mega Bank obtained ISO 14067 certification on August 16, 2022, valid from August 16, 2022 to August 15, 2024

PAS 2060: Declaration of Achieving Carbon Neutrality in 2014



Credit cards issued by Mega Bank obtained PAS 2060 certification on March 8, 2024

ISO 22301: 2019 Business Continuity Management



Mega Bank obtained ISO 22301 certification on June 8, 2022, valid from June 8, 2022 to June 8, 2025



Mega Securities obtained ISO 22301 certification on 2023.12.28, valid from December 28, 2023, to December 27, 2026

ISO14064: 2018 Greenhouse Gas Inventory (Domestic and Overseas Banks)



Mega Group obtained ISO 14064 certification on 2025.May.22



Mega Bank's overseas locations obtained ISO 14064 certification on 2025.April.14

ISO 20400: 2017 Sustainable Procurement Guidance

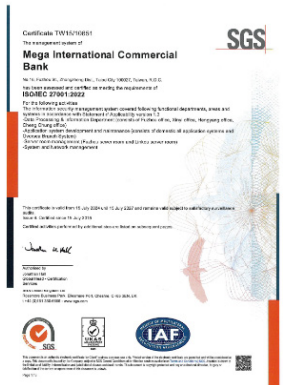


Mega Bank obtained ISO 20400 certification on March 14, 2024, valid from March 14, 2024 to March 13, 2025

ISO 27001: 2022 Information Security Management System



Mega Financial Holding obtained ISO 27001 re-validation on August 23, 2024, valid from August 23, 2024 to September 19, 2025



Mega Bank obtained ISO 27001 re-validation on July 15, 2024, valid from July 15, 2024 to July 15, 2027

ISO 27001: 2013 Information Security Management System

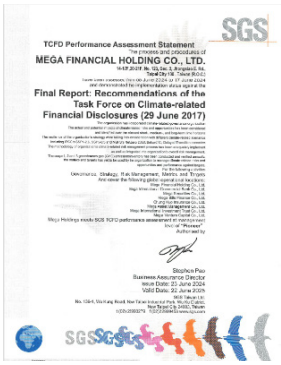


Mega Securities obtained ISO 27001 re-validation on August 3, 2024, valid from August 3, 2024 to October 31, 2025



CKI obtained ISO 27001 re-validation on June 12, 2023, valid from June 12, 2023 to October 31, 2025

ISO 27701: 2019 Privacy Information Management System	ISO 10002: 2018 Customer Complaint Quality Management System	BS 10012: 2017 Personal Information Management System	
			
CKI obtained ISO 27701 renewal certification on June 12, 2023, valid from June 12, 2023 to October 31, 2025	Mega Bank obtained BS 10012 certification on March 24, 2024, valid from March 24, 2023 to March 34, 2026	Mega Bank obtained BS 10012 certification on March 24, 2024, valid from March 24, 2023 to March 34, 2026	Mega Securities obtained BS 10012 certification on November 26, 2024, valid from November 26, 2024 to November 26, 2027

Taiwan Intellectual Property Management System (TIPs)	ISO 45001: 2018 Occupational Health and Safety Management System		Highest level certification of " TCFD Performance Assessment - Pioneer"
			
Mega Bank obtained TIPs certification in 2022, valid until December 31, 2025	Mega Bank obtained ISO 45001 certification on June 17, 2022, valid from June 17, 2022 to June 16, 2025	Mega Securities obtained ISO 45001 certification on February 1, 2023, valid from February 1, 2023 to January 31, 2026	Mega Financial Holdings obtained SGS certification on June 23, 2024, valid from June 23, 2024 to June 22, 2025

2024 Independent Auditors' Limited Assurance Report (ISAE 3000)

Deloitte.

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

Mega Financial Holding Company Ltd.

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of Mega Financial Holding Company Ltd. ("the Company") for the year ended December 31, 2024.

Subject Matter Information and Applicable Criteria

See Appendix 1 for the Company's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of the Company is responsible for the preparation of the Subject Matter Information in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), SASB Standards published by the Sustainability Accounting Standards Board (SASB), and the criteria specifically designed by the Company, and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix 1) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the subject matter information is likely to arise.

- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, re-performance, observation, and analytical procedures to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Han-Ni Fang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

June 2, 2025

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' limited assurance report and summary of subject matter information shall prevail.

APPENDIX I

SUMMARY OF SUBJECT MATTER INFORMATION

<table>
<tr><th>#</th><th>Subject Matter Information</th><th>Corresponding Section</th><th>Applicable Criteria</th><th>Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports</th></tr>
<tr><td>1.</td><td>No data (including personal information) leakage incidents have occurred in 2024. No customers and employees have been affected by information leakage incidents.</td><td>6.2 Information Security</td><td>Number of data breaches, percentage involving personally identifiable information, and number of account holders affected.</td><td>Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-3, No. 1/SASB FN-CB-230a.1</td></tr>
<tr><td>2.</td><td>In 2024, Mega Bank's small business and community development lending accounts totaled 18,086 cases, with 13,019 loans and a year-end loan balance of NT$287.1 billion, a 10.34% increase from the previous year.</td><td>5.2 Financial Inclusion</td><td>Number and amount of loans outstanding qualified to programs designed to promote small business and community development.</td><td>Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-3, No. 2/SASB FN-CB-240a.1</td></tr>
<tr><td>3.</td><td>• Financial Inclusion Seminars
<table><tr><th>Service Target</th><th>Seminar Topic</th><th>Number of On-site Participants</th></tr><tr><td>Older adults People with Disabilities</td><td>Retirement Trusts</td><td>2,130</td></tr><tr><td>Small Business and Community Development</td><td>Small Business and Community Development Loans</td><td>154</td></tr></table>• There were 9,192 disadvantaged people in the promotion of financial inclusion knowledge.</td><td>5.2 Financial Inclusion
8.1 Financial Education</td><td>Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers</td><td>Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-3, No. 3/SASB FN-CB-240a.4</td></tr>
</table>

<table>
<tr><th>#</th><th>Subject Matter Information</th><th>Corresponding Section</th><th>Applicable Criteria</th><th>Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports</th></tr>
<tr><td>4.</td><td>Distribution of Loans to Infrastructure Construction by Mega Bank in 2024
<table><tr><th>Category</th><th>Environmental/Social Benefits</th><th>Loans Outstanding at the End of the Year (Unit: Thousand NTD)</th></tr><tr><td>Low Carbon Transportation Construction</td><td>Assisted the government or manufacturers to invest in low-carbon transportation tools to reduce emissions from transportation, reduce greenhouse gas and suspended particulate emissions, and build a low-carbon environment and sustainable society.</td><td>37,475,296</td></tr><tr><td>Recycled Water and Sewerage Engineering</td><td>Through financing, we assisted the government or manufacturers to build sewerage systems to collect residential wastewater and discharge it into river systems after treatment and disinfection until it meets the discharge standards, which helps to improve environmental hygiene in urban areas, reduce the incidence of waterborne diseases, and enhance the quality of life of residents. In addition, in order to ensure stable water supply for industries, we supported the development of local government recycled water projects, which will be an important supplementary water source in the event of a shortage of water resources in the future.</td><td>7,201,910</td></tr></table></td><td>5.1 Sustainable Finance</td><td>Products and services designed by individual operating units to create benefits for the environment or society.</td><td>Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Article 4, Paragraph 1, Table 1-3, No. 4</td></tr>
</table>

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports
5.	Identification of Material Topics	2.3 Stakeholder and Material Topics	GRI 3-1: 2021 Process to determine material topics	N/A

Identification of Material Topics		
Phase I: Identify stakeholders	7 primary stakeholders Using the GRI Standards (2021) and AA1000SES Stakeholder Engagement Standard, we identified seven stakeholders, which were government and regulators, employee/corporate union, shareholders/investors, clients, media, suppliers, and communities/academic institutions/non-profit organizations.	
Phase II: Collect sustainability issues	11 governance and economic issues 4 environmental issues 7 people and human rights issues Identified 22 sustainability issues, with reference to domestic/international issues on sustainable development, international sustainability ratings, material topics identified in peer reports, and feedback from stakeholders.	
Phase III: Questionnaire survey on the impact of sustainability issues	Evaluation by 11 executive members of the Sustainable Development Committee	Feedback from 229 stakeholders
	Executive questionnaire Eleven senior executives, including members of the Sustainable Development Committee, assessed the impact of sustainability issues on the Group's "corporate value" (legal) through the executive questionnaire.	Stakeholder questionnaire Stakeholders identified in the previous steps were invited to assess the degree of impact of sustainability issues on the "economy, environment, people, and human rights" through an online financial/reputation/ questionnaire, and a total of 229 valid questionnaires were collected.
Phase IV: Analyze the results of the sustainability questionnaire and identify material topics for the year	14 material topics. Compiled the degree of impact of the previous phase of sustainability issues "on the value of the Mega Group" and "on the economy, environment, people and human rights". Then analyzed the results of the major themes questionnaire survey according to the principle of Double Materiality, then ranked the sustainability issues through the Materiality Matrix. Finally, reported the results to the Sustainable Development Committee and the Board of Directors after determining the 14 major themes of the year 2024.	

#	Subject Matter Information	Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports
6.	Type of Energy / Items/Year / 2024	9.1 Sustainable Data	GRI 302-1:2016 Energy consumption within the organization	N/A

Type of Energy	Items/Year	2024
Electricity	Usage (kWh)	36,749,346
	Energy Consumption (GJ)	132,298
Gasoline	Usage (Liter)	280,139
	Energy Consumption (GJ)	9,147
Natural Gas	Usage (M3)	29,793
	Energy Consumption (GJ)	998
Diesel (mobile)	Usage (Liter)	1,550
	Energy Consumption (GJ)	54
Diesel (fixed)	Usage (Liter)	4,444
	Energy Consumption (GJ)	156
Liquefied Petroleum Gas (LPG)	Usage (Kg)	7,356
	Energy Consumption (GJ)	371
Total Energy Consumption (GJ)		143,024

- The Group registered and declared a total of 9,381 certificates (33,772 GJ) at the National Renewable Energy Certificate Center in 2024.

7.	Water Consumption Unit: Million Liter			9.1 Sustainable Data	GRI 303-3:2018 Water withdrawal	N/A
	Items	Source	2024			
	Water Withdrawal	Third-party Water (Taiwan Water Corporation)	195.970			

8.	Average and Median Difference in Remuneration and Bonus by Gender		7.3 Happy Workplace	Designated indicator 1 Remuneration by Gender Indicators (The average and median of difference between remuneration by gender and bonus by gender)	N/A
	Average Difference in Remuneration by Gender	18.23%			
	Median Difference in Remuneration by Gender	19.78%			
	Average Difference in Bonus by Gender	18.54%			
	Median Difference in Bonus by Gender	18.03%			

Note 1: Gender difference is the ratio of the difference. between male data and female data accounts for the proportion of male data.
Note 2: Calculated based on the global full-time employees who are still on job and have worked for more than 6 months on December 31, 2024; as for the remuneration, it is calculated on an annual basis.
Note3: The calculation definition refers to the "Average Benefits of Non-managerial Employees" of TWSE, and the annual remuneration includes salary, bonus (year-end bonus, performance bonus, employee remuneration) and overtime pay (including overtime pay for unused vacations).

9.	Year	2024	9.1 Sustainable Data	Designated indicator 2 Absence Rate Based on GRI 403-2: 2016 Absence Rate	N/A
	Absence Rate (AR) (%)	0.37%			

Note 1: Absence Rate (AR) = Total number of absent days/Total days worked ×100%.
Note 2: Absent Days refer to the total number of lost days due to all forms of absence, including work-related injury, illness, menstrual leave, mild illness (e.g., cold, fever, or flu), and personal leave and sick leave for undisclosed reasons, and excluding pre-arranged or permitted absence (e.g., family care leave, holidays, training, maternity leave, paternity leave, marriage leave, compassionate leave, and official leave).

#	Subject Matter Information			Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports
10.	Target	Inclusive Financing Services	Results of Promotion	5.2 Financial Inclusion 9.1 Sustainable Data	Designated indicator 3 Inclusive financial achievements	N/A
	Senior Citizens	Reverse Mortgages	In 2024, the reverse mortgage promotion reached 3,296 people, and the newly approved amount for the year increased by 58.56% compared with that of 2023. As of the end of 2024, the cumulative number of loan recipients reached 149, and the cumulative approved loan limits reached NT$1.362 billion.			
	Youth Groups	Government Concessional Loan for Youth Housing	In 2024, the Government Concessional Loan for Youth Housing has been granted to 23,291 applicants, with 31,710 cumulative loan accounts, and a cumulative approved loan amount of NT$179.092 billion, an increase of 40.28% compared to 2023.			
		Young Entrepreneur Start-up Loans	The promotion of the Young Entrepreneur Start-up Loans reached more than 12,899 people in 2024, with 3,108 cumulative loan accounts, while the cumulative approved loan amount was NT$3.281 billion, an increase of 11.11% from 2023.			
	Women	Gift of Pregnancy Loans	In 2024, the Gift of Pregnancy Loan reached more than 6,020 applicants, with 452 beneficiaries, and a cumulative approved loan amount of NT$275 million.			

#	Subject Matter Information				Corresponding Section	Applicable Criteria	Industry-specific Disclosures of the Sustainability Metrics Describe in the Rules Governing the Preparation and Filing of Sustainability Reports
	Items		Units	2024			
	Happy LOHAS-reverse Mortgage	Cumulative Number of Borrowers	Cases	149			
		Cumulative Amount Approved	100 million NTD	13.62			
	Government Concessional Loans for Youth Housing	Cumulative Number of Borrowers	Cases	31,710			
		Accumulated Amount Drawling	100 million NTD	1,790.92			
	Youth Entrepreneurship and Start-up Loans	Cumulative Number of Borrowers	Cases	3,108			
		Accumulated Amount Drawling	100 million NTD	32.81			
	Microinsurance	Number of Policies	Policies	460			
		Insurance Premium	Thousand NTD	1,822			
	Agricultural Insurance	Number of Policies	Policies	34			
		Insurance Premium	Thousand NTD	1,191			
	Group Medical Insurance (Applicated by Foreign Workers, Caretakers and Fishers)	Number of Insured People	People	282,929			
		Insurance Premium	Thousand NTD	9,746			
11.	Waste Output Unit: Metric tons				9,1 Sustainable Data	Designated indicator 4 Total waste by category Based on GRI 306-3: 2020 Total weight of non-hazardous waste	N/A
	Type/Scope Source			2024 All Domestic Locations			
	Direct Disposal	General Waste (non-recyclable)		262.706			
		Kitchen Waste		34.179			
		Total		296.885			
	Recycled Resources (Reused)	Paper Containers, Waste Paper		166.838			
		Iron and Aluminum Cans		2.257			
		Plastics		12.824			
		Glass		1.083			
		Batteries		0.081			
		Light Tubes/Bulbs		0.078			
		Total		183.161			
	Total Waste Output			480.046			



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