



Capital Securities Corp.

2024

SUSTAINABILITY
REPORT

About the Report

This Sustainability Report of Capital Securities Corp. (hereinafter referred to as "Capital Securities") discloses topics related to environmental protection (E), social responsibility (S), and corporate governance (G) in 2024. The disclosure follows the Global Reporting Initiative (GRI) Standards, adopts the indicators of the Sustainability Accounting Standards Board (SASB), aligns with the framework of the Task Force on Climate-related Financial Disclosures (TCFD), and references the 17 United Nations Sustainable Development Goals (SDGs). The report is published in both Chinese and English versions, which can be downloaded from the dedicated section of the Company's official website.

Reporting Period and Cycle

- The disclosure period of the information in this report is from January 1, 2024 to December 31, 2024.
- The disclosure period of the financial statements is the same as that of this Sustainability Report.
- One Sustainability Report is published annually. This year's report was published in August 2025, and the next report is scheduled for publication in August 2026.

Contact Information

Responsible Unit for the Sustainability Report: Planning Department
If you have any comments or inquiries regarding this report, please contact us.
Tel: (02)8789-8888 ext. 8613
e-mail: ESG@Capital.com.tw

Reporting Boundaries and Scope

	Scope of Disclosure in the Report	Differences from the Scope of Financial Reporting	External Assurance/ Verification
Environmental Protection	• The content of the report mainly covers the business operations and services of Capital Securities Corp. in Taiwan.	Capital Securities Corp. and its subsidiaries—Capital Investment Management Corp., Capital Insurance Advisory Corp., CSC Venture Capital Corp., and CSC Capital Management Corp.—excluding overseas subsidiaries, Capital Futures Corp., and its subsidiaries.	• Independent assurance statement issued by KPMG Taiwan.
Social Responsibility	• Social-related information on subsidiaries, including Capital Investment Management Corp., Capital Insurance Advisory Corp., CSC Venture Capital Corp., and CSC Capital Management Corp., is presented in the appendix.		• Independent assurance statement in accordance with AA1000AS v3 Type 1 Moderate Assurance Level issued by the British Standards Institution (BSI).
Corporate Governance			
Greenhouse Gas Emissions	Capital Securities Corp.	Capital Securities Corp.	Independent assurance statement issued by KPMG Taiwan.
Financial Information	Capital Securities Corp.	Parent company only financial statements of Capital Securities Corp.	Audit opinion issued by KPMG Taiwan.

The certified public accountants have no equity or management relationship with the Company and are only commissioned to conduct external assurance for the financial statements and the Sustainability Report.

Table of Content .1

About the Report	001
Reporting Period and Cycle	001
Contact Information	001
Reporting Boundaries and Scope	001
Message from the Chairperson	004
Ch.1 Brand Blueprint	005
1.1 Brand Development	007
1.2 Sustainable Brand Value Strategy	011
1.3 Demonstrating Leadership	014
1.3.1 Governance of the Board of Directors	014
1.3.2 Independence and Prevention of Conflicts of Interest	015
1.3.3 Board Diversity	015
1.3.4 Succession Planning	016
1.3.5 Performance and Remuneration	016
1.3.6 Continuing Education	017
1.3.7 Monitoring of Sustainability Issues	017
Ch.2 Sustainable Development Strategic Challenges	018
2.1 Organizational Structure and Leadership	019
2.2 Identification and Prioritization of Material Topics	021
2.3 Correspondence of Material Topics	024
2.4 Future Sustainability Plans	025
Ch.3 Risk Management and Integrity	028
3.1 Ethical corporate management	030
3.1.1 Governance Framework for Ethical Corporate Management	030
3.1.2 Risk Assessment Mechanism	031
3.1.3 Training and Awareness Promotion	031
3.1.4 Whistleblowing Mechanism and Handling	032
3.2 Risk Management	033
3.2.1 Risk Management Framework	033
3.2.2 Risk Identification and Management Measures	034
3.3 Regulatory Compliance	038
3.3.1 Compliance Framework	038
3.3.2 Training and Awareness Promotion	039
3.3.3 Annual Deficiency Improvements	039
3.4 Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF)	040
3.4.1 AML Policies and Framework	040
3.4.2 Risk Assessment and Customer Due Diligence	041
3.4.3 Transaction Monitoring and Suspicious Transaction Reporting	042
3.4.4 Application of Digital Technology	043
3.4.5 Effectiveness of Education and Training	043

Ch.4 Climate Action Pioneer	044
4.1 Climate Governance Mechanism	045
4.1.1 Climate Governance	045
4.1.2 Climate Risk and Opportunity Identification and Financial Impact Assessment	048
4.1.3 Climate Strategy and Response	051
4.1.4 Scenario Analysis and Simulation	053
4.1.5 Climate Risk Management	060
4.1.6 Indicators and Targets	062
4.2 Sustainable Investment Strategy	064
4.2.1 Sustainable Investment Management	064
4.2.2 Sustainable Investment Monitoring	065
4.2.3 Underwriting Sustainability Assessment	066
4.2.4 Sustainable Investment and Financing Overview	066
Ch.5 Green Strategy Core	068
5.1 Green Operations Pathway	069
5.1.1 Environmental Management Governance Structure	070
5.1.2 Environmental Management Promotion Measures	070
5.1.3 Implementation Results and International Verification	071
5.2 Resource Management Dynamics	072
5.2.1 Energy Management and Energy-Saving Measures	072
5.2.2 Sustainable Use of Water Resources	074
5.2.3 Waste Management and Circular Economy	075
5.3 Net Zero Pathway and Targets	077
5.3.1 Greenhouse Gas Management Outcomes	077
5.3.2 Application of Digital Technology	078
5.3.3 Green Procurement and Sustainable Supply Chain	078
5.4 Eco-Friendly Measures	079
5.4.1 Digital Finance Carbon Reduction Initiatives	079
5.4.2 Environmental Education and Employee Engagement	080
5.4.3 Social Well-Being and Ecological Actions	081
Ch.6 Digital Resilience and Innovation	082
6.1 Guardian of Digital Finance	083
6.1.1 Information Security Commitment	083
6.1.2 Organizational Structure and Responsibilities	084
6.1.3 Multi-Layered Information Security Defense System	085
6.1.4 Employee Training and Awareness Promotion	087
6.1.5 Independent Third-Party Assessment	087
6.2 Solid Defense for Privacy Protection	087
6.2.1 Commitment to Personal Data Protection	087
6.2.2 Governance Structure and Division of Responsibilities	088
6.2.3 Continuous Improvement of the Management System	088
6.2.4 Personal Data Security Incident Reporting and Response Mechanism	088
6.2.5 Employee Training and Awareness Promotion	089
6.2.6 Effectiveness of Independent Third-Party Evaluations	089

Table of Content .2

6.3	Demonstrating Resilient Services	089
6.3.1	Governance Structure and Responsibilities	089
6.3.2	Management System and Business Impact Assessment	090
6.3.3	Regular Drills and Training	091
6.3.4	ISO 22301 Verification Results	091
6.4	Breakthroughs in Digital Financial Innovation	092
6.4.1	Digital Blueprint and Strategic Deployment	092
6.4.2	Innovation in Digital Financial Services	092
6.4.3	Smart Digital Ecosystem	094
6.4.4	Digital Transformation of Operations and Processes	095
6.4.5	Implementation of Inclusive and Green Finance	095
6.4.6	Professional Recognition and Industry Achievements	096
Ch.7	Talent Empowerment and Care	097
7.1	Employee Rights Protection	098
7.1.1	Human Rights Policy and Commitment	098
7.1.2	Diversity, Inclusion, and Workplace Equality	099
7.1.3	Labor-Management Communication Mechanism	101
7.2	Talent Development Accelerator	104
7.2.1	Comprehensive Professional Training Program	104
7.2.2	Succession Planning and Development	106
7.2.3	Sustainable Education and Training Blueprint	108
7.2.4	Effectiveness Evaluation of Education and Training	109
7.3	Incentive Compensation	109
7.3.1	Fair and Reasonable Compensation Structure	109
7.3.2	Linking Sustainability Performance	112
7.3.3	Comprehensive Reward Mechanism	113
7.4	Comprehensive Workplace Health	114
7.4.1	Occupational Safety and Health Management	114
7.4.2	Employee Physical and Mental Health Care Program	116
7.4.3	Work-Life Balance Program	117
7.4.4	Employee Care and Support System	119
Ch.8	Customer Value and Social Impact	121
8.1	Commitment to Excellent Service	122
8.1.1	Fair Customer Treatment Governance Structure	122
8.1.2	Implementation Outcomes	123
8.2	Listening to the Voice of Clients	126
8.2.1	Client Complaint Handling and Risk Feedback Cycle	126
8.2.2	Client Satisfaction Surveys and Service Effectiveness	127
8.3	Implementation of Inclusive Finance	127
8.3.1	Friendly Finance: Creating a Barrier-Free Financial Environment	127
8.3.2	Promoting Financial Education: The Power of Knowledge Dissemination	128
8.3.3	Collaboration and Innovative Initiatives: Expanding the Boundaries of Inclusive Finance	128
8.3.4	Anti-Fraud Foundation: Establishing a Robust Governance Structure	129
8.3.5	Comprehensive Anti-Fraud Awareness and Education	130
8.3.6	Technology as a Shield: Application of Advanced Anti-Fraud Technologies	130
8.3.7	Capital Securities “Love Reading” Program: Planting the Seeds of Knowledge	131
8.3.8	“Urban Tour”: A Magical Journey to Broaden Horizons	131
8.3.9	The Power of Life through Blood Donation	132
8.3.10	Warming Society: A Reliable Support for Disadvantaged Groups	133
8.3.11	Multi-Layered Equality Strategy: Comprehensive Breakthrough from Interface to Awareness	134

Appendix	135
1.Green Finance-Related Data	135
1.1 Underwriting Revenue Incorporating ESG Factors	135
1.2 Loans/Investments Incorporating ESG Factors	136
1.3 Underwriting of Sustainability Bonds	136
2.Group Affiliates Data	137
2.1 New Hires and Resignations within Capital Group	137
2.2 Diversity Distribution of Employees in Group	138
2.3 Training Course Types, Participants, Regions, and Total Hours in Capital Group	139
2.4 Performance Evaluation in Capital Group	139
2.5 Summary of Parental Leave and Reinstatement in Capital Group	140
2.6 Employee Benefits in Capital Group	140
3.2024 Greenhouse Gas Emission Inventory	140
4.GRI Standards Content Index	141
GRI 1: Foundation 2021	141
GRI 2: General Disclosure 2021	141
Material Topic	142
5.United Nations Sustainable Development Goals (SDGs) Correspondence Table	145
6.Taiwan Stock Exchange “Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” Appendix	146
7.Sustainability Disclosure Indicators	147
8.Sustainability Disclosure Topics & Accounting Metrics	147
9.Assurance Report and Verification Statement	150
Limited Assurance Report on the Sustainability Report	150
Verification Statement of the Sustainability Report	152
Greenhouse Gas Assurance Statement	153
10.International Certifications	155
ISO 27001 Information Security Management System	155
ISO 22301 Business Continuity Management System	156
BS 10012 Personal Information Management System	157
ISO 50001 Energy Management System	158

Message from the Chairperson

Driving Financial Innovation Together Toward a Sustainable Future

In the face of multiple global challenges—such as extreme climate events, natural resource shortages, the rapid development of artificial intelligence, and geopolitical tensions—the responsibilities of enterprises now extend beyond financial growth into the integrated domains of Environmental, Social, and Governance (ESG). Companies must find breakthroughs by balancing financial and non-financial performance in order to achieve long-term shared prosperity between business and society.

In 2024, through the dedication of the management team, the Company not only achieved the second-highest profit in its history but also aligned with the 17 United Nations Sustainable Development Goals (SDGs), fulfilling its mission as both a “Creator of Wealth” and a “Companion for Health.” By deeply integrating and innovating in digital finance, inclusive finance, and green finance, we have worked with stakeholders to promote SDG 3 and SDG 8, aiming to build a more complete sustainable financial ecosystem. For Capital Securities, the value of finance goes beyond asset growth—it lies in improving quality of life, advancing wealth and health in tandem, and creating true sustainable prosperity.

ESG Achievements in 2024

In terms of environmental sustainability, we continued to support the national 2050 net-zero emissions goal by introducing the ISO 50001 Energy Management System, optimizing energy management and conservation measures at our operational sites. These efforts successfully reduced total energy consumption and energy use intensity by 1.79% and 28.72%, respectively.

Regarding social responsibility, we recognize the profound impact that a sustainable mindset among financial professionals has on corporate competitiveness. In 2024, we invested approximately NT\$20 million in internal and external training, digital learning, and professional certifications. Guided by six core themes—Sustainability Awareness, Environmental Protection, Customer Service, Financial Ecosystem, Data Security, and Sustainable Operations—we comprehensively enhanced employees’ sustainability competencies.

In corporate governance, we upgraded the “Treating Customer Fairly Committee” and the “Ethics and Sustainability Committee” into the “Integrity and Sustainable Development Committee.” With the active involvement of the Chairperson and independent directors, we ensured effective implementation of ethical corporate management and fair treatment of customers, further strengthening the Board’s oversight of sustainable development and demonstrating the Company’s firm governance-level commitment to sustainability.

Outlook for 2025: Advancing Innovation and Sustainability

In the face of challenges brought by the disintegration of globalization and the intensification of protectionism in 2025, we will uphold our core principle of “Prioritizing the Interests of the Public.” We will integrate innovation with sustainability, continuously building a financial ecosystem grounded in trust, resilience, inclusiveness, and green sustainability. Guided by our mission as a “Creator of Wealth” and “Companion for Health,” we will not only strive to enhance the Company’s competitiveness but also pursue solutions that deliver greater long-term value for stakeholders. We firmly believe that only by responding to change with innovation and driving development with sustainability can we work together to create a sustainable future.

Chairperson
Chou, Hsiu-Chen



Brand Blueprint

Driven by the three key forces of digital finance, inclusive finance, and green finance, the Company aims to build a financial ecosystem characterized by trust, resilience, inclusiveness, and green sustainability as its vision, thereby promoting corporate business development.

Board performance evaluation

Excellent

Annual operating performance

Stable
profitability

Diversified composition of
the Board of Directors

27% 36%

Independent directors

Female directors

Integration of ESG into brand strategy

Financial ecosystem of trust,
resilience, inclusiveness, and
green sustainability

Corporate governance evaluation
Upgraded to the

6%~20% range

Sustainability Achievements



Financial Supervisory Commission (FSC)
"Best Progress Award 2023"
 in the Assessment of Principle for
 Financial Service Industries to Treat
 Clients Fairly



International Business Magazine for
 outstanding media presence.
**"Best Securities Broker Brand for
 Media Volume Taiwan 2024"**



Taiwan Corporate Sustainability Awards
 (TCSA) 2024, presented by the Taiwan
 Institute for Sustainable Energy.
"Outstanding Award"
 in Corporate Comprehensive
 Performance
"Silver Award"
 for Corporate Sustainability Report



Finance Asia
Highly Commended
 for Best Innovative Technology
 Application in Non-Banking Financial
 Services, Taiwan 2024



Commercial Times
 2024 Digital Finance Awards.
Digital Service Award
Digital Fair Treatment Award
 Anti-Fraud Category
Digital Information Security Award



Outstanding Award
in Anti-Fraud Evaluation
 from the Taiwan Stock Exchange



Capital Securities
 advanced to the **6%~20%** range
 in the 11th (2024)
 Corporate Governance Evaluation.

Capital Securities received a **Level 1 (Excellent)** rating in the 2024 Risk Management Evaluation from the Taipei Exchange.
 Selected as one of the **"Taiwan FINI FIG 10"** – Taiwan Institute of Directors and Corporate Development Research Center (CDRC), ranking among the top 10 financial institutions favored by foreign investors.
"Best Securities Firm" and **"Best Wealth Management Award"** – Excellence Magazine 2024 in the non-financial holding company category.
"Issuers of the Year," "Turnover of the Year," and **"Growth of the Year"** – Taipei Exchange 2023 OTC warrant competition awards.
"Outstanding Warrant Issuer Award" and **"Growth in Warrant Issuance Award"** – Awarded by the Taiwan Stock Exchange in recognition of warrant issuance excellence in 2023.
Gold Award for "2024 Happy Enterprise" – 1111 Job Bank, recognizing excellence in workplace satisfaction and employee well-being.
 Taipei City **"Workplace Gender Equality Certification"** – Received the **"Gold Award"** and the **"Creativity Award."**
Best Popular Brand Award – The National Brand Yushan Award for the Capital Securities Eagle APP.
 Capital Securities passed the **ISO 50001:2018 Energy Management System verification** by the British Standards Institution (BSI).
 Joined the **"2024 TALENT, in Taiwan"** Sustainable Talent Development Alliance.
 Continued inclusion in the **"F4G TIP TW ESG Index"** and **"TW EMP 99 IDX"** as a constituent stock.

1.1 Brand Development



Since its establishment in 1988, Capital Securities Corp. (hereinafter referred to as “the Company”) has been rooted in Taiwan, expanding across Asia, and reaching the global stage. Leveraging its solid foundation in finance and a forward-looking spirit of innovation, the Company has grown into a competitive independent securities firm with international reach. Its business scope covers a wide range of financial products, including brokerage, proprietary trading, underwriting, bonds, and derivatives. It also provides stock agency and wealth management services, dedicated to meeting the full spectrum of financial needs for both the market and clients.

Upholding the brand value of “Prioritizing the Interests of the Public,” the Company engages in cross-sector cooperation across multiple domains to create diverse activities, enabling clients to enjoy life while building wealth. Guided by the annual development themes of “Creator of Wealth” and “Companion for Health,” the Company not only focuses on environmental protection and green finance but also invests resources to fulfill social responsibilities and promote inclusive finance. Combining these efforts with fintech innovation as a driving force, the Company strives to enhance both the physical and mental well-being of clients, achieving mutually beneficial outcomes.

In response to increasingly complex global risks, the Company has set a long-term vision to build a financial ecosystem characterized by trust, resilience, inclusiveness, and green sustainability—proactively adapting and moving toward the future:

- **Trust:** Implement ethical corporate management and regulatory compliance, strengthen stakeholder communication, protect client rights and interests, enhance service quality, and focus on reshaping talent value while fostering a corporate culture that values both professionalism and integrity.
- **Resilience:** Continuously improve the risk management framework, covering financial, operational, climate, legal, and information security risks, while adopting domestic and international standards, guidelines, and best practices to strengthen risk control capabilities and operational resilience.
- **Inclusiveness:** Leverage fintech to promote awareness and accessibility of friendly financial and digital services across all levels, working to create a diverse, inclusive, and fair customer environment so that all groups can enjoy financial services and co-create value.
- **Green Sustainability:** Introduce green sustainability concepts, act as a partner for clients in achieving net-zero transitions, promote sustainable financial products, and serve as a bridge from awareness to practice.

Organization Type

Publicly listed company
(Stock Code: 6005)

Paid-in Capital

NT **21.709** billion

Headquarters Location

Taipei City, Taiwan

Total Number of Employees

As of December 31, 2024,
a total of **1,995**
employees

Industry

Finance and Insurance

Main Business Items

Please refer to the Business Category
Description Table

Primary Service Markets

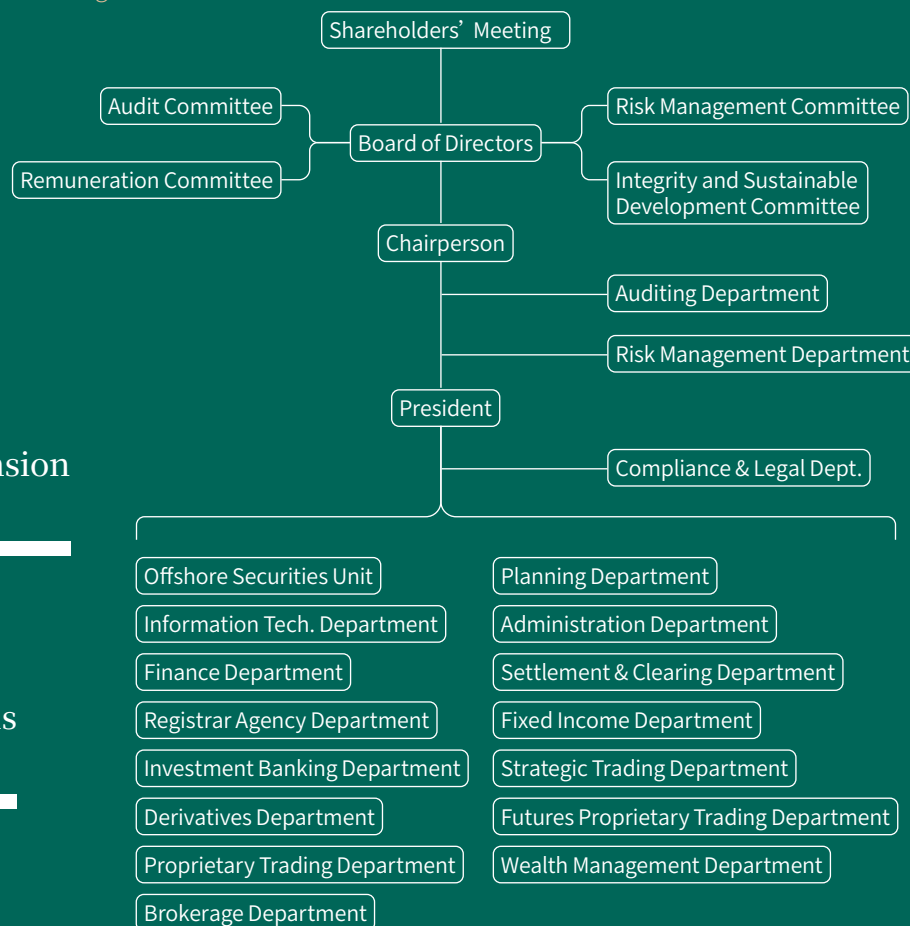
Taiwan, China, with future expansion
toward international markets

Main Client Types

Domestic and foreign institutions
and the general investing public

Service Locations: For more information,
please refer to [Company Website/Location](#)

Organization



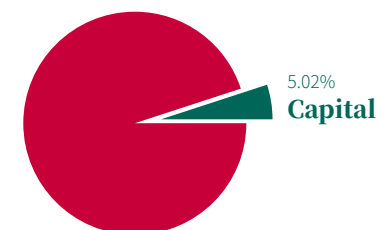
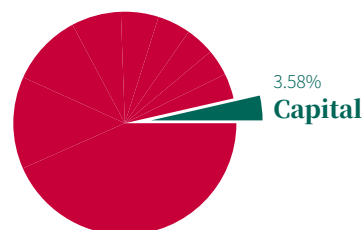


Capital Group (Website-About-Group)
 Capital Investment Management Corp.
 Capital Futures Corp.
 Capital Insurance Advisory Corp.
 CSC Securities HK Ltd.
 CSC Futures (HK) Ltd.
 CSC International Holdings Ltd. Shanghai Rep. Office
 CSC Venture Capital Corp.
 CSC Capital Management Corp.

For more information, please refer to [About-Organization/Affiliated](#).

2024 Market Share

Ranking	Brokerage Trading Volume		Margin Trading Balance	
	Securities Firm	Market Share	Securities Firm	Market Share
NO.1	13.38%	Yuanta	14.09%	Yuanta
2	10.47%	KGI	9.78%	Fubon
3	7.21%	Fubon	8.69%	KGI
4	5.46%	UBS	6.99%	Sinopac
5	4.81%	Sinopac	5.45%	Mega
6	4.22%	Cathay	5.10%	Hua Nan
7	3.84%	JPMorgan Chase	5.06%	President
8	3.66%	Merrill Lynch	5.02%	Capital
9	3.58%	Capital	4.96%	Masterlink
10	3.44%	Morgan Stanley	4.72%	IBF



Source: Taiwan Stock Exchange Corporation (TWSE), Taipei Exchange (TPEX), and self-compiled financial data of each securities firm.



Business Category Description Table

Bond Business

“Connecting Capital, A New Financial Perspective”

Provides fundraising, investment, and wealth management advisory services for interest-related products, covering both primary and secondary bond market businesses. Clients include state-owned enterprises and large private corporations. The Company actively acts as a market maker for government bonds, corporate bonds, and convertible bonds, offering domestic and overseas trading and consulting services to assist clients in wealth planning. It is also actively involved in sustainable and green bonds, serving as a key driver in promoting net-zero transitions.

Brokerage Business

“Connecting Taiwan, Investing Without Borders”

With “Prioritizing the Interests of the Public” as the core value, the Company leverages the advantages of its business locations and professional talent to provide instant and convenient digital technology and platform services. Through diverse activities and cross-industry collaborations, clients can enjoy life while building wealth. Upholding ethical corporate management, the Company continuously strengthens risk management and information security to enhance service reliability.

Underwriting and Financial Advisory Business

“Navigator of the Capital Market”

Assists enterprises with public offerings, initial listings on the Taiwan Stock Exchange or Taipei Exchange, and successful entry into the capital market. It also helps listed companies with fundraising plans such as cash capital increases and convertible bonds, underwrites securities, and provides services for mergers, acquisitions, and other financial advisory needs. Guided by the concepts of green sustainability and inclusiveness, the Company aims to jointly create a new paradigm for a diverse and inclusive capital market.

Proprietary Trading Business

“Strategic Integration, Leading the Market”

With deep research and trading expertise, proprietary trading covers domestic and foreign securities trading, market-making in collaboration with underwriters, and hedging transactions in TAIEX futures and options to effectively reduce systemic risk and increase operational flexibility.

The Company strengthens cross-departmental integration and technology application to enhance market agility, evaluates green finance strategies, and expands into diverse financial product markets to broaden its financial footprint.

Derivatives Business

“Innovation Driven, Leading Investment”

With warrants as the core business, the Company combines continuous innovation in product design and trading systems with risk management and convenient digital technology operations. It develops innovative quoting logic to respond to changes in trading systems and market conditions, actively offers diverse structured products, enhances market adaptability, and responds to global economic changes to create win-win outcomes.

Stock Agency Business

“Seamless Service, Complete Satisfaction”

Focuses on providing clients with professional consultation and optimal shareholder services planning. Backed by a team with strong legal expertise and practical experience, the Company integrates digital technology services, practices ethical corporate management, and strengthens communication to deliver high value-added professional services to issuing companies. It actively expands its business scope to pursue professional, customized, and fully automated online information services.

Wealth Management Business

“Professional Management, Sustainable Wealth Growth”

Integrates digital technology with financial expertise to introduce a model that combines physical and mental well-being with wealth creation. The Company offers clients optimal investment advice and diversified product portfolios, provides high-net-worth clients with comprehensive professional wealth management services, and continues to invest in senior, sustainable, and green investment solutions. It aims to balance trust, resilience, wealth growth, and asset management to create a sustainable and prosperous wealth blueprint.

Revenue by Main Business Category
Unit: NT\$ thousand



1.2 Sustainable Brand Value Strategy



In an era filled with uncertainty, the Company adapts to trends and takes proactive action, reshaping the efficiency and experience of financial services through a financial ecosystem characterized by trust, resilience, inclusiveness, and green sustainability. At the same time, with responsible governance as the foundation, the Company leads clients and society toward a sustainable future by staying at the forefront of digital technology innovation.

The integration of digital finance, inclusive finance, and green finance serves as the driving force for corporate growth, trust, and resilience. Based on this foundation, the Company has developed a clear sustainable brand value strategy—enhancing internal capabilities, expanding external value, driving transformation and upgrading, and injecting the Taiwan financial capital market with forward-looking momentum and an international perspective.

01/ Integrity, Compliance, and Risk Management as a Cultural Foundation

The Company is committed to establishing a sound and transparent system for ethical corporate management, regulatory compliance, and risk management. By actively introducing governance best practices, every decision and service is designed to meet stakeholder expectations and realize a corporate culture of trust.

02/ Creating Value through Digital Technology

More than just a financial product provider, the Company is an innovator in digital technology and smart living. It actively builds diverse, integrated, and secure systems and platforms, delivering a more intuitive and equitable user experience. This ensures that financial services are closely connected to every user's life, leading the way to a smarter future.

03/ Talent as the Brand

Talent represents the first point of interaction both internally and externally, and serves as the starting point for organizational growth. By fostering self-motivation and innovative thinking, encouraging cross-disciplinary collaboration, broadening global perspectives, and enhancing practical experience, the Company continuously develops financial professionals in digital, inclusive, and sustainable finance—solidifying "Capital Securities Corp." as a benchmark in the financial capital market and as a recognized developer of financial talent in the industry.

04/ Refined Wealth and Asset Management

Through high-net-worth asset management, family office services, and cross-border financial planning, the Company is committed to helping clients achieve the optimal balance between wealth preservation, growth, and succession. It continues to build a high-end financial service system with both professional competence and global vision, becoming a long-term partner trusted by high-asset clients.

05/ Building Think Tank Influence

The Company is not merely a provider of financial products but also an observer of industry trends. By forming diverse alliances among industry, government, and academia, it positions itself as a strategy maker. Through research, analysis, and sharing by professional talent, and with the support of digital technology, the Company promotes knowledge leadership and becomes a "provider of professional insights," serving as a key reference for government and corporate decision-making.

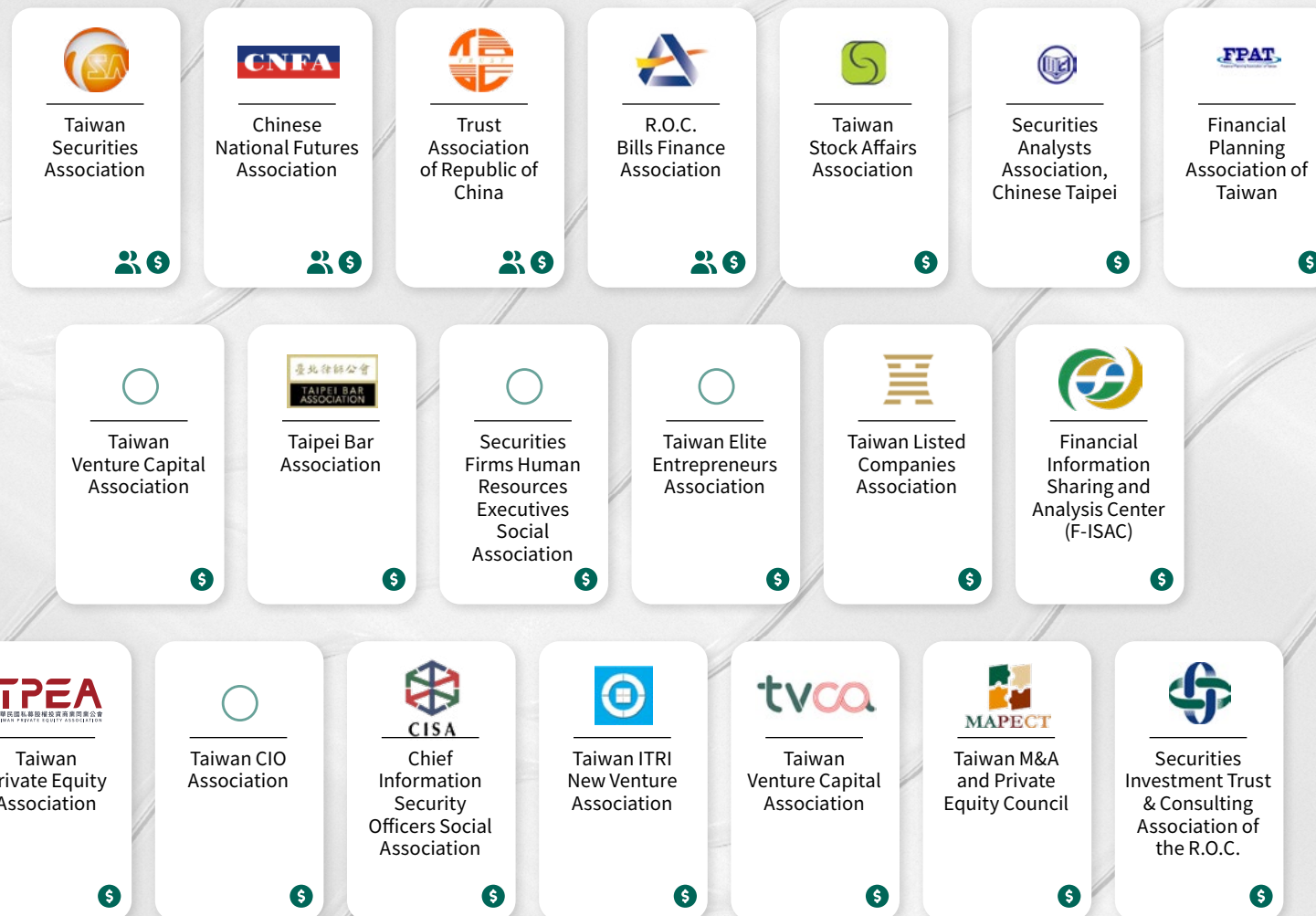
06/ Aligning with National Strategies

The Company actively responds to policy trends, participates in financial sandboxes, promotes innovation in asset management, and works with the government to build Asia's asset management hub—demonstrating its role and contribution in institutional innovation and policy implementation.

07/ Fulfilling Sustainability Commitments and Responding to the Future

Beyond profitability, the value of a company lies in bringing positive change in environmental protection and social responsibility. The Company is dedicated to promoting net-zero transitions in Taiwan and internationally, ensuring that all groups can experience the warmth of financial products and services. It actively invests in the driving force of digital technology innovation, becoming a continuous source of momentum and creativity, allowing society to witness its commitment to and actions for sustainable development.

■ Participation of Other Organizations



\$ Provision of Financial Support
 People icon Participation in Projects or Committees

■ Operational Performance

In the face of a highly volatile business environment, the Company's management team has adhered to a prudent management philosophy. By balancing risk and profitability, the Company achieved a pre-tax net profit of NT\$5,782,940 thousand and a post-tax net profit of NT\$4,883,776 thousand in 2024.

1. Brokerage Business

The combined market share in the centralized and over-the-counter markets was 3.58%, ranking sixth among domestic securities firms and first among independent securities firms. The year-end balance of unrestricted money lending business grew to NT\$32.4 billion, ranking second in the market, while the annual average balance of settlement accounts reached NT\$36.2 billion, ranking first in the market.

2. Derivatives Business

In 2024, the total premium amount of listed call/put warrants was NT\$83.3 billion, with 11,029 issues. The Company ranked second in the market in terms of issuance amount and third in terms of number of issues. The annual issuance volume of structured products reached NT\$32.4 billion.

The Company continues to face a changing market environment by integrating internal and external resources, strengthening trading tools, linking wealth and health themes, and enhancing capital utilization efficiency. It fulfills its sustainability commitments in areas such as digital finance, talent cultivation, financial inclusion, and net-zero transition initiatives, striving for innovation and improvement to build strong client trust and market competitiveness, thereby seizing early opportunities in the financial services market.

With the joint efforts and full support of all colleagues, the Company's 2024 operating performance achieved impressive results, ensuring steady progress in overall business performance.

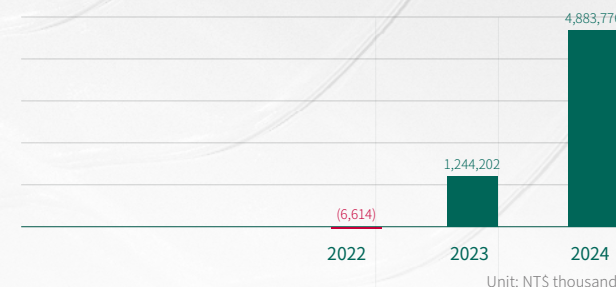
3. Underwriting Business

In 2024, the Company served as a lead underwriter for the initial OTC listing of Grade Upon Technology Corporation, and as a lead underwriter for the convertible bond offerings of Megawin Technology and Franbo Lines in the secondary market, as well as the cash capital increase of Chia Her. In addition, the Company co-managed IPO and SPO projects for Tigerair, ELTA, Mega Bank, and others, with a total of 77 deals. Both the total underwriting amount and the number of deals increased compared to the previous year.

4. Bond Business

The total underwriting amount for domestic corporate bonds was NT\$38.88 billion, with a market share of 7.46%, ranking fourth among domestic securities firms. In sustainable bonds, the Company underwrote 17 deals with a total amount of NT\$6.83 billion, accounting for 17.6% of its total underwriting amount. The Company will continue to support green and transition finance initiatives, assisting enterprises in securing funding and supporting their net-zero transition efforts.

■ Retained Economic Value Analysis



	2022	2023	2024
Unit: NT\$ thousand			
Direct Economic Value ①			
Operating Revenue	5,643,212	10,605,109	14,611,768
Net Non-operating Revenue	1,265,355	1,639,418	1,987,154
Economic Value Distributed ②			
Operating Expenses	3,506,031	5,173,524	7,892,996
Employee Salaries and Benefits	2,071,830	2,666,228	2,921,236
Payments to Providers of Capital	846,654	2,887,308	-
Dividends Distributed	846,654	2,887,308	-
Payments to Government by Country	489,050	271,665	899,164
Community Investments	1,616	1,600	1,750
Donations to School Funds	1,500	1,600	1,620
Social Welfare	116	-	130
Retained Economic Value ③	(6,614)	1,244,202	4,883,776

Note 1: All financial figures are expressed in the functional currency of the parent company's financial statements, in NT\$ thousand, and audited by a certified public accountant. Relevant statistics are calculated based on internationally recognized standard indicators.

Note 2: For consolidated financial statements, please refer to the Company's website (<https://www.capital.com.tw>) or the Market Observation Post System (<http://mops.twse.com.tw>). Subsidiaries included in the Company's consolidated financial statements comprise Capital Futures Corp. and its subsidiaries, Capital Investment Management Corp., CSC Venture Capital Corp., CSC International Holdings Ltd. and its subsidiaries, Taiwan International Securities (B.V.I.) Corp. and its subsidiaries, and CSC Capital Management Corp. The subsidiary not included in the consolidated financial statements is Capital Insurance Advisory Corp.

Note 3: For detailed financial information, please refer to the Capital Securities Corp. 2024 Annual Report.

Key Features of the Governance Structure

27% 36% 9%

Independent directors account for

Female directors account for

Directors who are employees account for

None of the independent directors has served

more than three consecutive terms.

	Members	Directors	Independent Directors	External Members	Number of Meetings Held	Average Attendance Rate
Audit Committee	Shea, Jia-Dong Lee, Shen-Yi Lin, Tsalm-Hsiang	-	3	-	6	100%
Remuneration Committee	Lee, Shen-Yi Lin, Tsalm-Hsiang Yen, Chien-San	-	2	1 Note1	11	100%
Risk Management Committee	Chou, Hsiu-Chen Shea, Jia-Dong Lin, Tsalm-Hsiang	1	2	-	4	100%
Integrity and Sustainable Development Committee	Chou, Hsiu-Chen Shea, Jia-Dong Lin, Tsalm-Hsiang	1	2	-	5	100%

1.3 Demonstrating Leadership

The election of directors and independent directors adopts a candidate nomination system. In accordance with laws and the Company's Articles of Incorporation, the list of nominees is submitted to the Board of Directors. The Board evaluates the nominees' academic and professional background, industry experience, and professional capabilities before finalizing the list of candidates to be presented at the shareholders' meeting, where the election is conducted in an open and fair manner.

1.3.1 Governance of the Board of Directors

The Company is currently in its 12th Board term, consisting of 11 directors, including 8 directors and 3 independent directors, with a three-year term (June 27, 2022 to June 26, 2025). Ms. Chou, Hsiu-Chen was appointed as Chairperson on November 24, 2023. Leveraging her extensive experience in the securities industry, strong rapport with the management team, and broad vision for sustainable development, she leads the Company toward its sustainability goals and in delivering value to stakeholders.

For more information, please refer to [About-Organization/Management Team](#).

In accordance with the "Corporate Governance Principles" and the "Regulations Governing Procedure for Board of Directors Meetings," the Board holds meetings on a regular basis. In the performance evaluation of board members, actual attendance rates (excluding attendance by proxy) are included as an assessment criterion. In the past year (January 1, 2024 to December 31, 2024), the Board convened 9 meetings, with an average attendance rate of 93%.

Note 1: Certified Public Accountant Yen, Chien-San.

Note 2: For more information, please refer to [About-Organization/Management Team](#).



1.3.2 Independence and Prevention of Conflicts of Interest

The Company currently has 11 directors, of which 3 are independent directors, accounting for approximately 27%. All independent directors meet the requirements of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies,” with term limits not exceeding three consecutive terms and restrictions prohibiting them from serving as directors of more than three other public companies.

During the year, the Board of Directors convened 9 meetings, with independent directors recording an attendance rate of 96%. This demonstrates their active participation in discussions and provision of opinions on all agenda items. Furthermore, in accordance with the “Corporate Governance Principles” and the “Procedures for Election of Directors,” the Company effectively manages conflicts of interest between the Company and its directors, as well as among directors themselves:

- More than half of the Board seats must not be held by individuals with a spousal or second-degree of kinship.
- Directors are required to recuse themselves from discussions and voting if they have a personal interest in a Board agenda item.
- If the legal entity represented by a director has a vested interest, the director must also recuse themselves, refrain from participating in discussions and voting, and must not act as a proxy for another director in exercising voting rights.
- Directors are expected to self-regulate and refrain from providing improper mutual support.
- For directors with an interest in an agenda item, the meeting minutes must clearly record the names of the directors involved, along with the specific reasons for their recusal or non-recusal.

1.3.3 Board Diversity

The Company currently has 11 directors, including 4 female directors, accounting for approximately 36%. Under the “Corporate Governance Principles,” the Board is required to develop appropriate diversity policies for its operations, taking into account factors such as gender, age, culture, educational background, and professional experience. Directors must also possess the knowledge, skills, and character necessary to perform their duties.

In line with the “Regulations for Appraisal of the Performance of the Board of Directors and Functional Committees,” the Board’s performance self-evaluation includes composition and structure as assessment criteria. Through annual self-assessments and stakeholder feedback, the Company continuously promotes board diversity.

Director	Title	Gender	Nationality	Age Range	Business Management	Industry Experience	Finance/Investment	Information/Technology	Net-Zero Transition	Inclusive Finance	Law
Representative: Chou, Hsiu-Chen	Chairman	Female	R.O.C.	51~60	✓	✓	✓		✓	✓	
Representative: Lee, Wen-Chu	Director and President	Male	R.O.C.	61~70	✓	✓	✓		✓	✓	
Representative: Liu, Ching-Tsun	Director	Male	R.O.C.	71~80	✓	✓	✓			✓	
Representative: Fu, Chien-Yi	Director	Female	R.O.C.	51~60	✓	✓	✓			✓	
Representative: Chu, Shu-Er	Director	Female	R.O.C.	41~50	✓	✓	✓		✓	✓	
Representative: Lin, Tzu-Yi	Director	Female	R.O.C.	41~50	✓	✓	✓		✓	✓	
Representative: Tsai, I-Ching	Director	Male	R.O.C.	41~50	✓	✓	✓	✓	✓		✓
Representative: Chang, Yi-Ping	Director	Male	R.O.C.	51~60	✓	✓	✓		✓		
Shea, Jia-Dong	Independent Director	Male	R.O.C.	71~80	✓	✓	✓		✓	✓	
Lee, Shen-Yi	Independent Director	Male	R.O.C.	71~80	✓	✓	✓				✓
Lin, Tsalm-Hsiang	Independent Director	Male	R.O.C.	61~70	✓	✓	✓	✓	✓	✓	

Note 1: Former Director Wang, Wan-Ling stepped down on March 18, 2024; Director Chu, Shu-Er was newly appointed on March 18, 2024.
Note 2: Former Director Kuo, Yuh-Chyi stepped down on August 12, 2024; Director Lin, Tzu-Yi was newly appointed on August 12, 2024.

1.3.4 Succession Planning

Given the current composition of the Board, which reflects diversity in gender and age groups, as well as expertise in business management, information/technology, finance, and law, and supported by extensive academic and industry experience, the Company intends to maintain this diversity going forward.

The Company also maintains close, long-term relationships with domestic universities such as National Taiwan University and National Sun Yat-sen University, enabling the recommendation of qualified candidates for directors and independent directors. In addition, the Company refers to the “Independent Director Talent Database” provided by the Securities and Futures Institute to identify suitable Board members.



1.3.5 Performance and Remuneration

In accordance with the “Regulations for Appraisal of the Performance of the Board of Directors and Functional Committees,” the Company conducts an annual performance evaluation of the Board of Directors, individual board members, and functional committees. Each evaluation item is scored from 1 point (Very Poor) to 5 points (Excellent). The evaluation indicators for the Board and functional committees are periodically reviewed and adjusted as needed, based on operational requirements and changes in internal and external conditions.

The annual evaluation results are reported to the Board of Directors as a reference for improving board operations and for the selection or nomination of directors (including independent directors). In addition, the results of individual directors’ performance evaluations serve as a reference for determining their remuneration. Furthermore, under the “Corporate Governance Principles,” the Company strengthens the linkage between directors’ remuneration and performance evaluation results through investor and shareholder oversight mechanisms to ensure the reasonableness of directors’ compensation.

Every three years, the Company commissions an external professional independent institution or external experts/scholars to conduct a board performance evaluation. External recommendations are then studied to develop and implement improvement measures, continuously enhancing the governance and operational mechanisms of the Board of Directors. For more information, please refer to

<https://www.capital.com.tw/web/#/about/legal-disclaimer/board-evaluate>

Directors’ remuneration consists mainly of monthly compensation and meeting attendance fees, which cover costs incurred for attending company business or conducting negotiations on behalf of the Company. Independent directors also receive monthly compensation and meeting attendance fees. In addition, in accordance with the Company’s Articles of Incorporation, if the Company records a profit for the year, the Board may allocate up to 3% of such profit as directors’ remuneration.

	Annual Evaluation Results	Evaluation Dimensions
Board of Directors	4.97 “Excellent”	•Level of participation in company operations •Improvement of decision-making quality of the Board •Composition and structure of the Board •Selection and continuing education of directors •Internal control
Board Members	4.98 “Excellent”	•Level of participation in company operations •Decision-making quality of the Board •Composition and structure of the Board •Selection and continuing education of directors •Internal control
Functional Committees	5.00 Audit Committee “Excellent”	•Level of participation in company operations •Understanding of functional committee responsibilities •Decision-making quality of the functional committee •Composition of the functional committee and selection of members •Internal control
	5.00 Remuneration Committee “Excellent”	
	5.00 Risk Management “Excellent”	
	5.00 Integrity and Sustainable Development Committee “Excellent”	

Note: Full score is 5 points; 1 point = Very Poor, >1–2 points = Poor, >2–3 points = Average, >3–4 points = Good, >4–5 points = Excellent.

1.3.6 Continuing Education

In accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies,” the Company assisted all directors in participating in continuing education courses in 2024. Course topics included:

Workplace Bullying and Sexual Harassment
Corporate Governance: The Role and Accountability of Controlling Shareholders
Corporate Governance Lecture – Practicing Impact Investment and SDGs
Trends and Corporate Response Strategies for Net-Zero Transformation
Structure and Value of Corporate Sustainability Reports
How to Analyze Key Business Information from Financial Reports
Development Trends and International Standards of Digital Evidence and Forensics
Independent Directors and Functional Committees
New ESG Trends in Labor Relations – Managing Labor Rights in a Sustainable Supply Chain
Legal and Transactional Practices in Mergers and Acquisitions
Analysis of Practical Disputes in Board Governance
Analysis of Key Court Rulings on Corporate Governance
Key Cybersecurity Standards and Compliance
Practical Concepts and Applications of ESG Investing
Analysis of Sustainability Trends and Related Business Risks and Opportunities
International Financial Cybersecurity Supervision Trends and Challenges
FinTech and Cyber Risk Trends
Cybersecurity Management Act and Case Studies from Financial Regulators
Securities Industry Sustainability Transition Strategy Promotion Seminar
Relevant Laws Boards Should Consider Under the ESG Wave
Duty Map System Operation and Ethical Corporate Management
Key Cybersecurity Standards and Compliance
Fair Treatment Principles in the Financial Services Industry
Latest Practices and Trends in Climate-Related Financial Disclosures
Challenges and Opportunities in Sustainability Pathways and Introduction to GHG Inventory

among others. In total, the Company’s directors completed

131 hours

of certified continuing education through internal and external institutions.

For more information, please refer to the Annual Report, pp. 63–64.

1.3.7 Monitoring of Sustainability Issues

The Board of Directors is the highest governance body and the primary risk management body of the Company, and is accountable to the shareholders’ meeting. The operations and arrangements of the Company’s corporate governance system must ensure that the Board exercises its powers in accordance with applicable laws and regulations, the Articles of Incorporation, or resolutions of the shareholders’ meeting.

To achieve the goals of corporate governance, the main duties of the Board of Directors are as follows: (1) Establish an effective and appropriate internal control system. (2) Appoint and supervise managers. (3) Review the Company’s management decisions and operational plans, and monitor their implementation. (4) Review the Company’s financial objectives and monitor their achievement. (5) Oversee the Company’s operating results. (6) Evaluate the performance and remuneration standards for managers and employees, as well as the remuneration structure and system for directors. (7) Monitor and address the risks faced by the Company. (8) Ensure the Company’s compliance with relevant regulations. (9) Plan the Company’s future development direction. (10) Build and maintain the Company’s image and fulfill corporate social responsibility. (11) Appoint experts such as certified public accountants or lawyers. (12) Protect the rights and interests of investors.

In summary, the Board is responsible for supervising the Company’s development strategies, overseeing management, tracking the processes of the corporate governance system, internal controls, and internal audit procedures, thereby ensuring accountability to the Company and its shareholders. It executes its duties in compliance with applicable laws, the Articles of Incorporation, or shareholders’ meeting resolutions. Additionally, the Board reviews the annual and quarterly financial reports, evaluates the effectiveness of the internal control system, and reviews the resolutions of functional committees.

The Company’s Board of Directors operates independently and transparently. Both directors and independent directors exercise their powers independently, with the assistance of functional committees to supervise the Company’s execution of accounting, auditing, financial reporting, and financial control processes, internal control and legal compliance, as well as the quality and integrity of investment decisions, in order to enhance corporate governance performance.

On sustainability issues, the Board receives reports during meetings on action strategies and risk management measures related to business operations and sustainability topics, to confirm the content, execution obstacles, and performance results. The Board effectively supervises progress and resource allocation, and holds annual discussions and resolutions on the Company’s annual sustainability development promotion plan and execution results (e.g., the 11th meeting of the 12th Board of Directors), to monitor and manage ESG impact performance. Furthermore, the Board authorizes the Integrity and Sustainable Development Committee and the Integrity and Sustainable Development Operation Office to be respectively responsible for issues related to the intersection of business operations and sustainability. They are tasked with formulating and promoting action strategies and risk management measures, confirming short-, medium-, and long-term plans, managing performance evaluation results, and reporting to the Board regularly or as needed. Relevant resolutions are recorded in meeting minutes and followed up for supervisory progress.

The Board also reviews, discusses, and examines the content of the Sustainability Report in the form of discussion proposals. Throughout the process, the Board and senior executives listen to internal and external suggestions, and, with a supportive and proactive attitude, participate in or provide guidance on sustainability strategies. Once discussed and approved, the Sustainability Report is published and made publicly available.

Chapter 2.

Sustainable Development Strategic Challenges

Achievement rate of the
2024 sustainability plan

100%

Stakeholder engagement

- ✓ Stakeholder communication report meetings convened
- ✓ implementation of communication with all stakeholders

Effective supervision by the
Sustainable Development
Committee

4

meetings held during the year

Support for the
United Nations 17 Sustainable
Development Goals



**SUSTAINABLE
DEVELOPMENT GOALS**



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

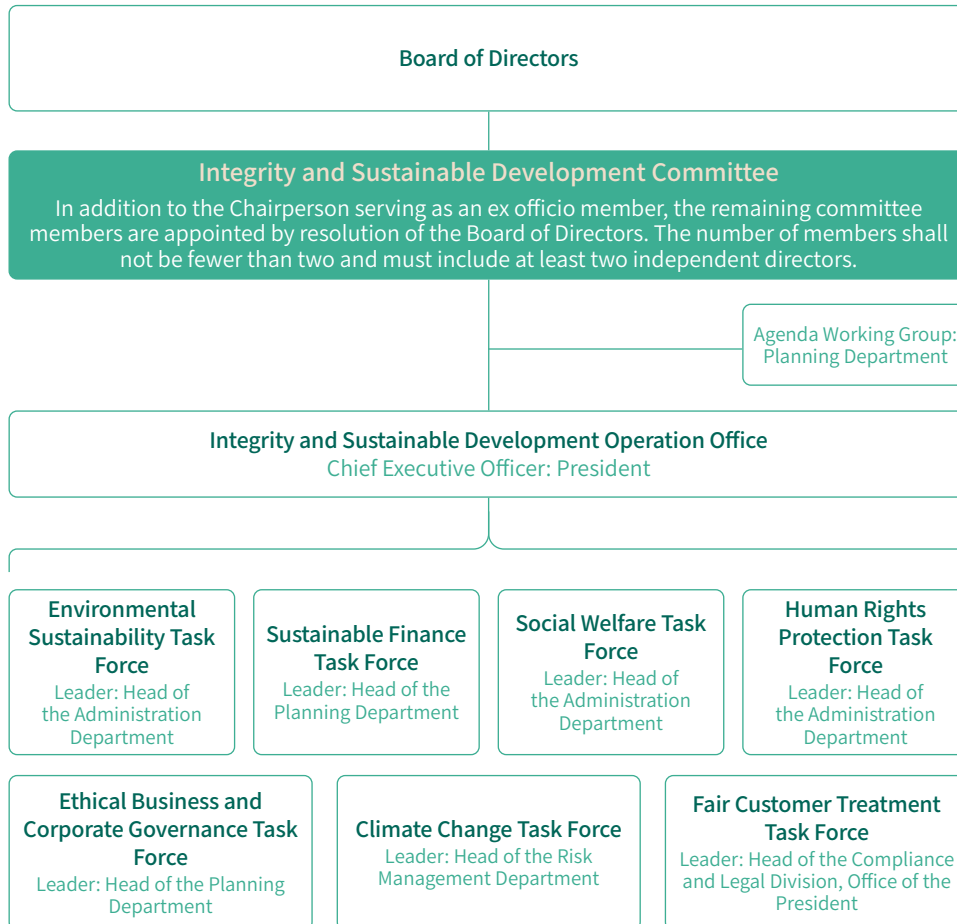
Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

2.1 Organizational Structure and Leadership



Note: On August 23, 2024, the Sustainable Development Committee was merged into the Ethics and Sustainability Committee and the Treating Customer Fairly Committee, and renamed the Integrity and Sustainable Development Committee. Under the Integrity and Sustainable Development Operation Office, a Fair Customer Treatment Task Force was established. The former Corporate Governance Task Force was incorporated into Ethical Management Task Force and renamed the Ethical Business and Corporate Governance Task Force.

The Company has established the Integrity and Sustainable Development Committee Charter. Through the Integrity and Sustainable Development Committee, the Company supervises matters related to sustainable development and effectively advances its sustainability goals. The committee reports directly to the Board of Directors, further demonstrating the Company's firm governance-level commitment to sustainable development.

■ Composition and Leadership of the Committee

In the current term, members of the Integrity and Sustainable Development Committee are appointed by resolution of the Board of Directors and comprise three directors—the Chairperson and two independent directors. Having a majority of independent directors ensures the committee's independence, encourages diverse perspectives, and strengthens its supervisory role.

In practice, the committee reports to the Board on a quarterly basis, enabling the Board to effectively monitor the progress and achievement of goals related to environmental protection, social responsibility, and corporate governance. This ensures the Board actively participates in sustainability initiatives and fulfills its role as the ultimate bearer of associated risks. The Chairperson serves as the convener, which not only symbolizes the Company's emphasis on sustainability but also reflects its determination to deeply integrate sustainable development into business decision-making.

■ Refined Meeting Convening Procedures

To ensure that the resolutions and action plans of the Integrity and Sustainable Development Committee are effectively implemented—and to address emerging challenges and opportunities in sustainability—the Chairperson convenes and presides over quarterly meetings. With a 100% attendance rate, committee members actively participate in discussions, providing strong support for advancing sustainability.

Each resolution is approved either by unanimous consent of the Chairperson or by a majority of members present, ensuring sufficient discussion and reasonable consensus before being forwarded to the Integrity and Sustainable Development Operation Office for formulation and execution. In addition, all discussions and decisions are thoroughly documented to enhance transparency and serve as a reference for future decisions.

Key Discussion Items in 2024

Meeting Date

2024.01.15

1st Term, 5th Meeting
Integrity and Sustainable Development
Committee

2024.03.11

1st Term, 6th Meeting
Integrity and Sustainable Development
Committee

2024.05.10

1st Term, 7th Meeting
Integrity and Sustainable Development
Committee

2024.08.19

1st Term, 8th Meeting
Integrity and Sustainable Development
Committee

2024.11.08

1st Term, 9th Meeting
Integrity and Sustainable Development
Committee

Proposals

- Report on the filing status of the “ESG Implementation Information Control System for the Securities and Futures Industry” for Q4 2023
- Report on the implementation status of ESG responsible investment for 2023.
- Report on the execution status of the Q4 2023 sustainability development promotion plan and the subsidiaries’ “GHG inventory and verification schedule.”
- “2023 Sustainability Development Promotion Plan and Implementation Results” and “2024 Sustainability Development Promotion Plan.”
- Report on the filing status of the “ESG Implementation Information Control System for the Securities and Futures Industry” for Q1 2024.
- Report on the execution status of the Q1 2024 sustainability development promotion plan and the subsidiaries’ GHG inventory and verification schedule.
- 2023 Climate-Related Financial Disclosures (TCFD) Report.
- The Company’s 2023 Sustainability Report.
- “ESG Implementation Information Control System for the Securities and Futures Industry” for Q2 2024.
- 2023 Sustainability Report Assurance Statement.
- Report on the execution status of the Q2 2024 sustainability development promotion plan and “GHG inventory and verification.”
- Report on the implementation of ESG responsible investment for the first half of 2024.
- Report on the filing status of the “ESG Implementation Information Control System for the Securities and Futures Industry” for Q3 2024.
- Report on the execution status of the Q3 2024 sustainability development promotion plan and the Company’s and subsidiaries’ “GHG inventory and verification.”
- Proposal to amend the “Ethical Corporate Management Procedures and Code of Conduct.”

■ Establishment and Operation of the Integrity and Sustainable Development Operation Office

The Integrity and Sustainable Development Operation Office was established under the Integrity and Sustainable Development Committee, with the President serving as Chief Executive Officer to ensure comprehensive support and collaboration across the Company’s business areas. The office is further divided into seven task forces: Ethical Business and Corporate Governance, Sustainable Finance, Fair Customer Treatment, Human Rights Protection, Environmental Sustainability, Climate Change, and Social Welfare. These task forces are responsible for deepening expertise and practical actions in specific areas of sustainable development, ensuring that sustainability strategies are implemented in a targeted and effective manner.

To ensure efficient operation, each task force is led by a department head as team leader, who directly leads and coordinates the tasks. Members with relevant professional knowledge are selected to form teams with strong sustainability awareness and diversity. Biweekly meetings are held to facilitate close collaboration and effective communication among the President, team leaders, and members. These meetings allow for the planning of action plans and management measures, regular progress reviews, and continuous adjustment or improvement of measures, thereby ensuring the achievement of sustainability goals.

Through the joint efforts of the Integrity and Sustainable Development Committee, the Integrity and Sustainable Development Operation Office, and the task forces, the Company has established a comprehensive and integrated sustainability governance organization and operational process. This not only demonstrates the Company’s firm commitment to sustainability but also lays a solid foundation for achieving long-term sustainability goals. Furthermore, it strengthens the Company’s capacity to address challenges in environmental protection, social responsibility, and corporate governance, creating value for stakeholders and fulfilling its vision of becoming a benchmark leader in sustainability.



2.2 Identification and Prioritization of Material Topics

The Company identifies material sustainability topics by gathering insights from stakeholders, global trends, industry characteristics, internal and external operations and activities, and international standards such as the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), and the 17 United Nations Sustainable Development Goals (SDGs).



Stakeholder Engagement Results

Following the five principles of the AA1000 Stakeholder Engagement Standard (2015)—dependency, influence, attention, responsibility, and diversity—and with reference to stakeholder groups identified by peer companies, the Company has identified employees, customers, shareholders/investors, suppliers, and government agencies as its key stakeholder groups.

To move toward the goal of becoming a benchmark in sustainable development, and in recognition of the importance of respecting stakeholders’ rights and interests, the Company engages with stakeholders through multiple communication channels. These interactions not only collect feedback and valuable references but also serve as essential inputs for the Company to continuously adjust its sustainability goals and action plans.

Stakeholders	Target Group	Key Issues of Concern	Communication Channels	Frequency of Communication	Communication Outcomes
Employees	All employees	- Regulatory compliance - Ethical corporate management - Generational transition - Occupational health and safety - Promotion of human rights policies	Employee Welfare Committee meetings	As needed	✓ Held four labor-management meetings. ✓ Established employee opinion and whistleblower mailboxes. ✓ Convened Employee Welfare Committee meetings. ✓ Conducted two workplace safety and office environment inspections. ✓ Organized four health consultation activities. ✓ Held a series of workplace health promotion activities and seminars. ✓ Organized health check-up events.
			Labor-management meetings	Quarterly	
			Employee opinion box and whistleblower mailbox	Anytime	
			Training and education	As needed	



Stakeholders	Target Group	Key Issues of Concern	Communication Channels	Frequency of Communication	Communication Outcomes
Customers	Clients with business relationships	- Regulatory compliance - Risk management - Fair customer treatment - Ethical corporate management - Digital financial innovation technologies and services - Sustainable finance	Company website	Anytime	✓ Distributed 5,644 satisfaction surveys, with a response rate of 93.99%; among responses, the percentage confirming issues had been resolved reached 99.91%.
			Client visits and meetings	Anytime	✓ Hosted 265 physical client briefings and seminars, serving approximately 4,600 participants.
			Business unit contact	Anytime	✓ Organized 11 large-scale events with around 2,600 participants.
			Executive-level exchanges	Anytime	✓ Promoted financial literacy by producing 509 financial education videos; total in-person and digital reach exceeded 11,000 participants.
			Telephone, email, or other contact methods	Anytime	✓ Conducted at least 46 industry-academia cooperation sessions and lectures at universities, totaling 520 hours with 204 attendees. ✓ Disclosed relevant financial products and market information on the Company website.
Shareholders / Investors	Shareholders / other investors	- Information security - Operating performance - Risk management - Fair customer treatment - Ethical corporate management - Digital financial innovation technologies and services - Sustainable finance	Market Observation Post System (MOPS)	Anytime	
			Investor conferences / forums	At least four times per year	✓ Held one annual general shareholders' meeting. ✓ Convened four investor conferences.
			Stakeholder section on Company website	Anytime	✓ Disclosed relevant information in the Annual Report, Sustainability Report, and on the Company website.
			Shareholders' meetings	At least once per year	✓ Released material information in real-time through the Taiwan Stock Exchange Market Observation Post System (MOPS).
			Telephone, email, or other contact methods	Anytime	✓ Established an investor relations contact window on the Company website.
Suppliers	Vendors providing equipment and services	- Information security - Ethical corporate management - Sustainable finance - Promotion of human rights policies - Greenhouse gas emissions control	Procurement / business demand units	Anytime	
			Company website (Stakeholder section)	Anytime	✓ Partner suppliers signed ESG clauses or commitment letters. ✓ Communicated on green procurement requirements.
			On-site visits, self-assessments, or audits	At least once per year	✓ Disclosed relevant information on the Company website or in the stakeholder section. ✓ Conducted audits for legally mandated outsourced suppliers.
			Ethical management channels (whistleblower mailbox)	Anytime	
Government Agencies	Local government agencies or competent authorities related to business operations	- Information security - Regulatory compliance - Business continuity - Fair customer treatment - Sustainable finance - Greenhouse gas emissions control - Climate change risks and opportunities - Social welfare activities or programs	Official documents	As needed	✓ Each unit conducts at least one self-assessment and risk assessment on regulatory compliance annually.
			Regulatory authority forums	As needed	✓ Reported regulatory compliance status to the Board of Directors semiannually. ✓ Provided business units with monthly summaries of regulatory amendments, impacts on operations, and notifications to remind them to adjust practices according to the latest regulations.
			Industry association discussions	As needed	✓ Conducted related regulatory training programs. ✓ Directors participated in forums, seminars, and training courses organized by government agencies.
			Company website	Anytime	✓ Participated in industry association activities and meetings.

■ Identification and Evaluation of Material Topics

Internal meetings were convened by the President, who also serves as the Chief Executive Officer of the Integrity and Sustainable Development Operation Office. Task forces and members were invited to participate. Based on the material topics identified in 2023, combined with stakeholder feedback and expert consultations, the Company assessed both the “degree of impact” and “likelihood of occurrence.” The results were consolidated and analyzed to determine the order of the most significant impacts, which were then reported to the Integrity and Sustainable Development Committee to serve as key guidance for material topic resolutions.

■ Prioritization and Confirmation of Material Topics

The Integrity and Sustainable Development Committee reviewed the sequence of most significant impacts reported by the Integrity and Sustainable Development Operation Office. Taking into account the Company’s sustainable development goals, action plans, and expert consultations, the Committee resolved to maintain 15 material topics (listed in the table below) as the targets for continued resource allocation.

2023 Ranking	2024 Ranking	Material Topic	Impact	Likelihood	Total
1	1	Information security	82 Negative	80	162
2	2	Regulatory compliance	82 Positive	79	161
3	3	Operating performance	78 Positive	70	148
4	4	Risk management	78 Negative	68	146
5	5	Business continuity	79 Positive	65	144
6	6	Fair customer treatment	71 Positive	68	139
7	7	Ethical corporate management	75 Positive	64	139
8	8	Digital financial innovation technologies and services	70 Positive	67	137
9	9	Sustainable finance	69 Positive	64	133
10	10	Generational transition	65 Positive	63	128
11	11	Occupational health and safety	66 Negative	61	127
12	12	Promotion of human rights policies	63 Positive	59	122
13	13	Greenhouse gas emissions control	62 Positive	55	117
14	14	Climate change risks and opportunities	62 Positive	53	115
15	15	Social welfare activities or programs	57 Positive	54	111

The above material topics are addressed in each chapter of this Report through management policies, action plans, and control measures. In addition, the 2024 sustainable development initiatives and implementation outcomes are sequentially reported each quarter to the Integrity and Sustainable Development Operation Office, the Integrity and Sustainable Development Committee, and the Board of Directors. Final annual results are presented to the Shareholders’ Meeting.
(<https://esg.capital.com.tw/enterprise/results>)

Furthermore, looking ahead at the end of 2024, the Company organized a Sustainable Development Workshop inviting external sustainability experts, consultants, and scholars. Discussions focused on international trends, sustainability regulations, and evolving perspectives to explore future sustainability issues and goals. The execution of related plans is scheduled to begin in 2025, and these initiatives will also be publicly disclosed in the ESG section of the Company’s website.

2.3 Correspondence of Material Topics

Based on the prioritization of material topics, the Company aligned them with international standards such as the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), and the United Nations' 17 Sustainable Development Goals (SDGs), as shown in the table below.

	Corresponding GRI Topic Standards	Value Chain Impacts					Impact Dimensions			SDGs	Corresponding Chapters
		Internal	External								
		Employees	Customers	Shareholders and investors	Suppliers	Government authorities	E	S	G		
Information security	GRI 418	■	■	▲	■	▲		Potential			6.1
Regulatory compliance	Custom Topic	■	●	■	▲	▲			Potential	SDG 5	3.3
Operating performance	GRI 201-1	■	●	■	●	▲			Actual	SDG 12	1.2
Risk management	Custom Topic	■	▲	▲	●	▲			Potential		3.2
Business continuity	Custom Topic	■	■	▲	■	▲		Potential			6.3
Fair customer treatment	GRI 417	■	■	▲		▲		Actual		SDG 8 SDG 12	8.1
Ethical corporate management	GRI 205	■	●	▲	●	▲			Potential		3.1
Digital financial innovation technologies and services	GRI 203		●		●			Actual		SDG 8 SDG 17	6.4
Sustainable finance	GRI 201-2 GRI 203	■	▲	▲		▲		Actual		SDG 8 SDG 12 SDG 17	4.2
Generational transition	GRI 201-3 GRI 401 GRI 402 GRI 404 GRI 405	■		▲				Actual		SDG 5 SDG 8	7.2
Occupational health and safety	GRI 403	■		▲	●	▲		Potential			7.4
Promotion of human rights policies	Custom Topic	■		▲	●	▲		Actual		SDG 5 SDG 8	7.1
Greenhouse gas emissions control	GRI 302 GRI 305	▲		▲	●	▲	Actual			SDG 13	5
Climate change risks and opportunities	GRI 201-2	▲		▲		▲	Potential		Potential	SDG 12 SDG 13	4.1
Social welfare activities or programs	GRI 203	▲		▲				Actual		SDG 8 SDG 12 SDG 17	8.2

Note 1: In accordance with the GRI Standards, the Company evaluates the "degree of impact" of each material topic, considering both positive and negative impacts, as well as "likelihood of occurrence" in terms of actual and potential risks.

Note 2: In accordance with the GRI Standards, the Company identifies the impact boundaries of each material topic and evaluates their relevance to stakeholders. The level of involvement is divided into three categories: directly causing the impact, jointly contributing to indirect impact with other groups, or being associated with the impact through business relationships.

Note 3: As resolved by the Integrity and Sustainable Development Committee, the Company responds to five of the United Nations Sustainable Development Goals (SDGs): SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), and SDG 17 (Partnerships for the Goals). The Company continues to work diligently toward these sustainability objectives.

■ Direct ▲ Indirect ● Business

2.4 Future Sustainability Plans

	Impact Description	Performance Indicators	2024 Goals	2024 Achievement Status	Short-term Goals	Medium- and Long-term Goals
Information security	Customer information and transaction data are the core operational foundation of the Company. The soundness of information security and personal data protection is critical in responding to impacts.	• Continue maintaining the validity of international certifications. • Strengthen information security management standards and maturity of cyber governance in line with financial action plans and best practices in cybersecurity governance. • Promote an information environment aiming for a "Zero Trust" model. • Continue promoting board members' participation in information security-related areas. • Digitize information security and personal data protection control measures.	✓ Maintain ISO 27001 and BS 10012 certifications. ✓ Purchase information security insurance. ✓ Establish the Company website's anti-impersonation capability. ✓ Enhance professional cybersecurity training for the IT department. ✓ Strengthen management and supervision mechanisms for IT service suppliers. ✓ Conduct cyber governance maturity assessment and implement improvement actions based on recommendations. ✓ Gradually promote Zero Trust mechanisms, such as DDoS drills, BAS (Breach and Attack Simulation) exercises, and enhanced privileged account management. ✓ Ensure 100% of board members complete information security training. ✓ Promote digitalized audits.	100% Achieved	• Respond to the "Financial Action Plan 2.0" to strengthen information security management standards. • Comply with information security standards. • Enhance information security and personal data protection measures through digital technology.	• Respond to the "Financial Action Plan 2.0" to strengthen information security management standards. • Comply with information security standards. • Enhance information security and personal data protection measures through digital technology.
Regulatory compliance	The securities industry is highly regulated. Strict compliance with laws and regulatory requirements is imperative, and the soundness and effectiveness of legal compliance are highly critical.	• Strengthen legal compliance mechanisms. • Internalize the awareness of compliance and internal control concepts among Company personnel.	✓ The Board of Directors oversees the assessment of compliance risks. ✓ Continuously revise business-related operating procedures. ✓ Include penalized customer complaints in risk assessments to strengthen risk identification and management through practical cases. ✓ Carry out compliance assessment operations. ✓ Promote diverse online training programs for regulatory compliance. ✓ Conduct personal data breach drills.	100% Achieved	• Strengthen legal compliance mechanisms and enhance employees' compliance awareness. • Strengthen employees' implementation of anti-money laundering (AML) and countering the financing of terrorism (CFT) operations.	• Strengthen legal compliance mechanisms and enhance employees' compliance awareness. • Strengthen employees' implementation of anti-money laundering (AML) and countering the financing of terrorism (CFT) operations.
Operating performance	Continuously promoting operational performance goals, strengthening financial structures, and building a stable and forward-looking image ensures sufficient resources and stakeholder support for the Company's sustainable development and transformation.	• Achieve budgeted profit targets.	✓ Achieve budgeted profit targets.	Profit targets achieved.	• Achieve budgeted profit targets.	• Achieve budgeted profit targets.
Risk management	Risk control in the financial market is of utmost importance. Only by properly identifying and managing various risks and actively responding to impacts can the Company ensure stable operations and gain customer trust.	• Continuously adjust risk management policies and procedures to address emerging risks, crisis management, and impacts. • Improve capital adequacy ratio and enhance efficiency in capital utilization. • Research strengthening system and database functionalities.	✓ Revise crisis management events and response measures. ✓ Increase capital adequacy ratio by 10%. ✓ Complete the foreign exchange Value-at-Risk (VaR) calculation module and gradually incorporate the rationality of new product evaluation models. ✓ Continue the digitalization process of risk management data.	100% Achieved	• Strengthen risk control measures and enhance risk-related disclosure reports.	• Incorporate emerging risk response and control mechanisms into risk management policies and procedures. • Enhance the functionality of risk management systems and models, along with database expansion and management tools, to monitor various risks under different scenarios.
Business continuity	Unexpected market events may occur, causing corresponding impacts. Only through a sound emergency response system can the Company maintain stable and continuous operations to safeguard customer interests.	• Maintain the validity of ISO 22301 international certification. • Strengthen the resilience of core information systems to ensure uninterrupted operation. • Achieve the goal of uninterrupted information services throughout the year.	✓ Complete stress testing with five times the normal transaction volume. ✓ Conduct off-site backup drills. ✓ Promote stress testing and capacity planning of core systems. ✓ During long holidays and regular holidays, continue monitoring and testing through duty shifts or tools to maintain information service capability.	100% Achieved	• Achieve the goal of continuous operation of core and critical businesses.	• Continuously enhance the resilience of core information systems to ensure uninterrupted operation. • Achieve the goal of uninterrupted information services throughout the year.



Fair customer treatment

Ethical corporate management

Digital financial innovation technologies and services

Sustainable finance

Impact Description	Performance Indicators	2024 Goals	2024 Achievement Status	Short-term Goals	Medium- and Long-term Goals
In response to regulatory authorities' promotion of the Fair Treatment of Customers principle in the financial services industry, the Company adopts this as a core service value, aligning with financial consumer protection trends and creating opportunities to enhance securities products and services.	- Strengthen awareness and participation of <u>directors and all employees</u>. - Conduct fair treatment training to encourage departments to implement the principle in <u>their operations</u>. - Continuously enhance the digital service <u>experience</u>. - Promote fair customer treatment measures at <u>business locations</u>. - Promote anti-fraud awareness and financial <u>literacy</u>.	- Complete the <u>fair treatment operational report</u>. - Convene the <u>Offshore Structured Products Review Committee</u>. - Improve <u>accessibility and elderly-friendly services</u>. - Provide dedicated staff to serve customers with disabilities or senior citizens. - Innovate online and centralized account opening procedures. - Offer diverse online training to raise awareness. - Review, improve, and track <u>customer complaint cases</u>. - Promote investor education on transaction risks and financial literacy. - Promote financial knowledge and anti-fraud awareness among students and <u>disadvantaged groups</u>.	100% Achieved	- Ensure business personnel handling related services possess <u>statutory licenses and qualification requirements</u>. - Provide <u>post-investment care services</u>. - Ensure customers fully understand the key contents of financial products, services, and contracts, with full disclosure of associated risks. - Propose fair treatment guidelines and implement hierarchical reporting. - Reassess offshore structured products. - Review the <u>root causes of customer complaints</u>. - Provide basic knowledge of various investment products and anti-fraud training. - Continuously enhance information services to align with customer experience. - Strengthen notification mechanisms regarding customers' <u>investment rights in financial products</u>. - Implement fair treatment practices in <u>business activities</u>.	- Propose fair treatment guidelines and implement <u>hierarchical reporting</u>. - Enforce customer complaint resolution timelines and root cause analysis mechanisms. - Strengthen <u>customer evaluation processes for investors</u>. - Enhance accessibility facilities at business premises. - Continuously enhance information services to align with <u>customer experience</u>. - Continue promoting anti-fraud and financial management concepts. - Implement fair treatment practices in <u>business activities</u>.
The Company's core operations involve client funds; only through integrity, honesty, self-discipline, and sound management mechanisms can the Company maintain client trust and preserve market reputation.	- Enhance the professionalism of the Board of <u>Directors and senior executives</u>. - Strengthen the Board's <u>supervisory mechanism</u>.	- Directors and senior executives actively participate in training completion. - Promote expert lectures, in-person training, and online courses. - Convene the "Integrity and Sustainable Development Committee" quarterly to review plans and outcomes. - The Board and Audit Committee regularly review implementation results and provide guidance to <u>strengthen monitoring effectiveness</u>. - The Board and Remuneration Committee deliberate on senior executive bonuses and appointments.	100% Achieved	- Continue to propose ethical corporate management strategies with tiered reporting. - Continue to refine the Board's <u>supervisory mechanism</u>.	- Propose ethical corporate management strategies with tiered reporting. - Strengthen the Board's <u>supervisory mechanism</u>.
Through digitalization, the Company promotes innovation in technologies and services, enhancing financial products and services, thereby strengthening competitiveness.	- Strengthen smart order strategies on electronic <u>trading platforms</u>. - Promote inclusive service functions for <u>disadvantaged groups</u>. - Continuously enhance digital service functions and <u>customer experience</u>.	- Continuously launch diverse smart orders to meet client trading needs. - Provide customer service contact information across system platforms and introduce inclusive features. - Redesign the <u>integrated account platform</u> to enhance client experience. - Add instructional video functions to improve interaction and inquiry. - Continuously enhance digital service functions of applications.	100% Achieved	- Enhance employees' digital and information capabilities. - Utilize digital tools to improve sustainable services. - Strengthen securities trading and account services. - Leverage digital trust verification to enhance fintech resilience. - Implement AI customer service to optimize service experience.	- Enhance employees' digital and information capabilities. - Utilize digital tools to improve sustainable services. - Strengthen securities trading and account services.
In response to the Green Finance Action Plan and risk management guidelines, the Company integrates Environmental Protection, Social Responsibility, and Corporate Governance (ESG) into internal control mechanisms such as proprietary trading and underwriting. By leveraging financial strength, the Company promotes industrial transformation and achieves the benefits of sustainable finance.	- Establish an <u>ESG information platform</u>. - Guide capital toward sustainable development-related activities, promoting internal corporate and industry-wide sustainability transformation. - Digital financial innovation technologies and <u>services</u>. - Continuously expand inclusive finance measures. - Enhance friendly financial services. - Enhance employees' digital and information capabilities. - Optimize the <u>responsible investment management system</u>. - Explore industry alliance meetings.	- Continue advancing the <u>ESG information platform construction schedule</u>. - Sell four IPO ESG ETFs with a total sales amount of NT\$1.202 billion to increase sustainable impact. - Complete underwriting of 17 sustainable bonds amounting to NT\$6.83 billion, representing 17.6% of the Company's total underwriting amount. - Increase electronic order placements by 1.70%, with the annual average proportion reaching 83%; meanwhile, digital service utilization reached 94%. - Host 265 physical client briefings and seminars, serving approximately 4,600 participants; combined physical and digital financial literacy promotions served over 11,000 participants. - Create 509 financial videos with a cumulative viewership exceeding 720,000. - Middle-aged and elderly clients accounted for 64% of active trading accounts, with a growth of approximately 4.6%. - Shorten customer complaint handling time from 30 days to 25 days. - Continuously enhance digital service functions of applications. - Continue promoting financial fraud prevention campaigns. - Implement RPA projects and training. - Continuously expand the integration of ESG factors into investment target evaluation and decision-making processes. - Organize industry sustainability alliance exchange activities.	100% Achieved	- Guide capital into sustainable development-related products. - Exercise active ownership and engage in thematic dialogues. - Provide diverse investment products, lower investment thresholds, develop youth financial services, and promote financial education. - Strengthen protection mechanisms for elderly clients' investment rights. - Implement friendly financial services and financial fraud prevention campaigns. - Continuously enhance the digital service experience of businesses, products, and services.	- Guide capital into sustainable development-related products. - Exercise active ownership and engage in thematic dialogues. - Promote financial education. - Strengthen protection mechanisms for elderly clients' <u>investment rights</u>. - Implement friendly financial services and financial fraud prevention campaigns. - Continuously enhance the digital service experience of businesses, products, and services.



	Impact Description	Performance Indicators	2024 Goals	2024 Achievement Status	Short-term Goals	Medium- and Long-term Goals
Generational transition	Employees are the cornerstone of the Company's operations. By creating diverse career development pathways, providing comprehensive care for employees, and establishing a sound environment for talent retention and cultivation, the Company fosters horizontal and vertical career mobility and an inclusive atmosphere, thereby ensuring stable development.	Generational transition mechanisms and implementation capacity, including strengthening the recruitment of quality talent, promoting industry-academia collaboration, and diversifying the Capital Securities Financial University programs.	- Arrange internship opportunities for 166 students to gain practical experience. - Promote industry-academia collaboration programs with four universities. - Organize university visits and exchanges. - Train high-potential employees as reserve supervisors. - Hold the Capital Securities Financial University program with 39 graduates in 2024. - Promote the acquisition of sustainable finance certification.	100% Achieved	- Continue to promote internship and industry-academia collaboration programs. - Continue training high-potential employees as reserve supervisors. - Continue to organize the Capital Securities Financial University program. - Promote the acquisition of sustainable finance certification.	Establish generational transition mechanisms and strengthen implementation capacity.
Occupational health and safety	The Company's operations rely on employee support. By building a friendly workplace and ensuring employees' physical and mental health, employees can work with peace of mind, confidence, and dedication.	- Zero occupational accidents among employees. - Offer a wide range of health education and occupational safety training courses.	- Conduct workplace safety inspections. - Complete employee health checks, health education information sharing, and health consultation services. - Continue to enhance a friendly workplace environment, such as family care and childcare support.	100% Achieved	- Achieve zero occupational accidents. - Promote workplace health initiatives.	- Achieve zero occupational accidents. - Promote workplace health initiatives. - Continue improving workplace environments and facilities.
Promotion of human rights policies	Whether mandated by international conventions, standards, or national policies, the Company upholds human rights as a core corporate cultural value. By promoting fairness, preventing discrimination, and safeguarding rights, the Company creates a lasting driving force for sustainable development.	Promotion of a human rights protection management system and training mechanisms.	- Chairman and President signed commitments to human rights and gender equality. - Completed anti-sexual harassment training and human rights policy advocacy courses, with a total of 2,121 participants. - Zero cases of sexual harassment or workplace violence. - Regular labor-management meetings to discuss labor relations.	100% Achieved	- Continue to optimize and enhance the Company's internal human rights policies. - Continue to promote the establishment of human rights due diligence mechanisms. - Promote diverse cooperation with disadvantaged groups.	- Continue to optimize and enhance the Company's internal human rights policies. - Continue to promote the establishment of human rights due diligence mechanisms. - Promote diverse cooperation with disadvantaged groups.
Greenhouse gas emissions control	With regulations, government agencies, and industry actively promoting sustainability, only by fully investing resources in management and achieving emission reduction targets can the Company meet stakeholders' expectations.	- Preparation for greenhouse gas inventory and verification capacity. - Promotion of green procurement strategies.	- Complete greenhouse gas inventory and assurance. - Achieve annual green procurement spending of NT\$68,460,413, an increase of NT\$33,754,427 compared to 2023. 220 suppliers signed the sustainability clause commitment. - Hold a supplier conference to promote sustainable development.	100% Achieved	- Promote energy management mechanisms. - Implement greenhouse gas emission reduction measures to achieve reduction targets. - Expand the scope and proportion of green procurement.	- Promote environmental and energy management mechanisms. - Implement greenhouse gas emission reduction measures to achieve reduction targets. - Continue expanding the scope and proportion of green procurement.
Climate change risks and opportunities	Climate change is an urgent issue and a key factor driving regulatory authorities and government agencies to actively promote industry transformation. By establishing management systems, implementing analysis and testing, and proactively responding to challenges, the Company seeks to transform risks into opportunities, achieve strategic objectives, and meet stakeholders' expectations.	Incorporating climate change risks into business decisions, identifying and managing risks.	- Incorporate climate risk management and establish a climate risk response framework. - Complete the climate-related financial disclosure report, disclose "climate risk-related information" and "industry high-carbon emission rankings" in the annual report. - Complete the 2023 Scope 3 financed emissions inventory. - Establish investment caps for high-carbon-emitting industries. - Regularly disclose climate risk-related information and indicators in the Risk Management Committee.	100% Achieved	- Continue publishing the climate change (TCFD) report, "climate risk-related information," and "industry high-carbon emission rankings," with external disclosure. - Maintain investment caps for high-carbon-emitting industries. - Regularly disclose climate risk-related information and indicators in the Risk Management Committee.	- Continue publishing the climate change (TCFD) report, "climate risk-related information," and "industry high-carbon emission rankings," with external disclosure. - Maintain investment caps for high-carbon-emitting industries. - Regularly disclose climate risk-related information and indicators in the Risk Management Committee. - Continuously adjust climate change risk management mechanisms in line with regulatory requirements and Company policies.
Social welfare activities or programs	As a benchmark in the financial industry, the Company actively promotes charitable activities and donations to foster social engagement and community care.	- Organize or sponsor charitable activities. - Encourage employees to participate in volunteer services. - Continuously promote volunteer services. - Continue the "Water Refill Map" initiative. - Procure goods from local or disadvantaged industries.	- Organize 17 charitable events. - Continue encouraging employees to actively participate in public welfare activities through invitations, recruitment, and training, with a total of 64 volunteer services conducted this year. - Organize 7 events for procuring goods from local or disadvantaged industries.	100% Achieved	- Actively organize or sponsor charitable activities. - Establish measures to deepen employee involvement in volunteer services. - Continue diversifying volunteer service initiatives. - Continuously assess opportunities to increase procurement of goods from local or disadvantaged industries.	- Actively organize or sponsor charitable activities. - Establish measures to deepen employee involvement in volunteer services. - Continue diversifying volunteer service initiatives. - Continuously assess opportunities to increase procurement of goods from local or disadvantaged industries.



Chapter 3.

Risk Management and Integrity

Through a sound governance framework of ethical corporate management, regulatory compliance, and risk management, the Company fosters a culture of integrity and ethics, effectively identifying and controlling various legal and risk factors. This enables the Company to respond to external challenges and promote sustainable and steady development.

Ethical corporate management

Ethical management training
641,091 hours

Number of unlawful or dishonest cases

0 cases

Regulatory compliance

Regulatory compliance training
57,855 hours

AML/CTF training

12 hours
per executive, staff member,
and supervisory officer

Risk management education and training
47,169.5 hours



CHAPTER.3

Risk Management and Integrity

The effective operation of corporate governance requires collaboration across different governance dimensions. The Company has established a comprehensive governance system, encompassing a multi-level governance structure from top to bottom, including the Board of Directors, Audit Committee, Remuneration Committee, Risk Management Committee, and Integrity and Sustainable Development Committee. These units coordinate with one another to form a robust governance network. Additionally, the Company has dedicated units for regulatory compliance, risk management and information security, as well as internal audit, which serve as the second and third lines of defense. These functions integrate areas such as ethical corporate management, risk management, regulatory compliance, anti-money laundering, and information security, forming a complete governance framework that supports and reinforces itself. Ultimately, resource sharing and information exchange are the keys to successful integration. Accordingly, every policy commitment is supported by clearly defined oversight levels, daily operational units, cross-departmental coordination, implementation of management measures, and reporting mechanisms, thus creating a comprehensive management cycle.

At the same time, the Company has established a sound reporting and discussion mechanism for critical incidents, particularly those affecting the Company's normal operations, impacting the financial market, or influencing sustainable development. This mechanism ensures clear reporting procedures, emergency response protocols, and corrective measures, with timely reporting and oversight by the Board of Directors. These measures further strengthen the Company's integrated governance framework and ensure that all types of risks remain under effective control.

3.1 Ethical corporate management

3.1.1 Governance Framework for Ethical Corporate Management

Integrity is the core focus of the Company's operations and the cornerstone of its corporate culture. Through organizational structure, institutional design, and execution processes, the Company ensures that ethical corporate management permeates every aspect of daily operations. Moreover, with the increasing importance of sustainable development, integrating ethical corporate management with sustainability has become a prevailing trend. Accordingly, the Company has strengthened its integration framework in terms of organizational structure, training, and rule-making to ensure that ethical corporate management is enhanced comprehensively from a sustainability perspective.

The Board of Directors receives at least one report annually on the Company's implementation of ethical corporate management. For the year 2024, such a report was presented at the 17th meeting of the 12th Board of Directors on January 10, 2025. In addition, annual internal performance evaluations of the Board of Directors and functional committees include ethical corporate management within the assessment scope, reinforcing the Board's exemplary role and furthering its supervision of ethical corporate management within the Company.

Furthermore, in 2024, the "Ethics and Sustainability Committee" was merged into the "Integrity and Sustainable Development Committee." The Board of Directors resolved to appoint at least three members to the Committee, including the Chairperson as an ex officio member and two independent directors. This structure established a more comprehensive governance framework. Meetings are convened regularly in accordance with the "Integrity and Sustainable Development Committee Charter," with at least one meeting held each quarter during the year. The Committee is tasked with formulating and overseeing strategies for ethical corporate management, integrating integrity values into the Company's business activities, and reporting implementation results to the Board of Directors to ensure the Board's attention and support for ethical and sustainable development.

Under the "Integrity and Sustainable Development Committee," the "Integrity and Sustainable Development Operation Office" was established. The President serves as the convener and meeting chair, while executives from various departments or key designated members participate. The Office is responsible for implementing and promoting ethical corporate management measures, strengthening resource integration, and enhancing governance effectiveness.

To ensure that ethical corporate management is implemented across all business activities, the Company has established top-down operational principles and regulations as the backbone of integrity, continuously promoting implementation measures and constructing a robust line of defense:

01. Ethical Corporate Management Best Practice Principles

Clearly defines eight categories of unethical behavior risks as the foundation for risk identification and control.

02. Integrity and Sustainable Development Committee Charter

Specifies the operation and responsibilities of the Committee.

03. Corporate Governance Principles

Establishes a sound corporate governance system and effective governance framework, upholding fiduciary duties.

04. Codes of Ethical Conduct

Guides employee behavior in line with ethical standards and enables stakeholders to better understand the Company's ethical standards.

05. Procedures for Ethical Management and Guidelines for Conduct

Ensures that employees conduct business activities based on fairness, honesty, trustworthiness, and transparency, implementing the ethical corporate management policy while actively preventing unethical behavior.

06. Regulations for Financial and Business Transactions among Related Parties

Provides management guidelines for related-party transactions to ensure restrictions, information disclosure, fairness, and transparency.

07. Regulations for the Handling of Business Disputes

Establishes customer complaint channels and standard operating procedures for handling disputes.

08. Whistleblower System Implementation Guidelines

Provides internal and external parties with secure reporting channels for unethical behavior, along with confidentiality and remediation measures.

09. Regulations for Prevention of Conflicts of Interest in Concurrent Activities Carried Out by Business Personnel on an Engaged Basis

Prevents various conflicts of interest.

The commitment of all members of the Board of Directors, senior management, and employees to integrity is fundamental to practicing ethical corporate management. In both 2023 and 2024, the Company continued to require all directors, senior management, and employees to sign the Statement of Compliance with Ethical Corporate Management Policy, achieving a 100% signing rate, demonstrating the firm commitment of all members to integrity values.

The Company also maintains a dedicated section on its official website, "ESG – Integrity Section (<https://esg.capital.com.tw/company/integrity>)," which is continuously updated with the status of ethical corporate management practices. This enhances information transparency and enables stakeholders to better understand actual outcomes.



3.1.2 Risk Assessment Mechanism

The Company adopts a systematic risk assessment methodology to regularly evaluate risks of unethical conduct and dynamically adjust control measures based on assessment results, ensuring that the ethical corporate management policy is effectively implemented in daily operations. The risk assessment is based on the eight categories of unethical conduct listed in Article 7 of the Ethical Corporate Management Best Practice Principles, which serve as the foundation for designing a comprehensive assessment process and mechanism.

The Company employs the ISO 37001 Anti-Bribery Management System methodology, with a broad scope of evaluation covering areas such as due diligence, financial controls, non-financial controls, anti-bribery commitments, management of gifts and hospitality, whistleblowing system, reward and grievance systems, training and education, organizational structure, rules and regulations, and monitoring. This ensures the comprehensiveness and depth of the assessment.

In terms of scope and frequency, risk assessments are conducted annually across all business locations (100%). In addition, supplementary assessments are carried out whenever there are major business changes, organizational adjustments, or external environmental changes to maintain timeliness and effectiveness.

The results of the 2024 ethical corporate management risk assessment across all business locations showed that overall risks remained at a well-controlled and manageable level, with no major corruption risks identified. For other recognized risks, the Company has developed corresponding control measures to ensure risks remain within an acceptable range.

3.1.3 Training and Awareness Promotion

Cultivating an integrity culture requires continuous education and reinforcement. The Company strengthens employees' integrity awareness and professional competence through diversified training and awareness promotion activities, embedding integrity values into employees' daily work.

Accordingly, the Company actively promotes awareness of unethical conduct and its impacts to employees and organizes various courses related to ethical corporate management. A testing mechanism is also in place, requiring employees to achieve a passing grade to complete each course.

Training and Awareness Promotion Statistics for Ethical Corporate Management, Anti-Corruption, and Anti-Bribery

Note 1: Based on the number of individuals/entities as of December 31 of the reporting year.
Note 2: Based on the Taiwan headquarters and its business locations.

Category	Number of Participants	Percentage
Directors	11	73%
Executives	181	100%
General Employees	1,707	100%
Suppliers	122	100%

In 2024, all directors actively participated in training courses recognized by securities authorities, such as Ethical Corporate Management Best Practice Principles, Corporate Governance: The Role and Accountability of Controlling Shareholders, Analysis of Key Court Rulings on Corporate Governance, Duty Map System Operation and Ethical Corporate Management, and Identifying Corporate Fraud or Operational Crises from Financial Statements. The total training hours for directors amounted to 16 hours, enhancing the Board's supervisory capability on ethical corporate management and demonstrating its strong commitment to professional development, thereby leading the Company in fully implementing a culture of integrity.

During the year, the Company organized courses on a wide range of topics, including securities regulations, ethical corporate management regulations, internal controls, regulations and ethics for industry practitioners, financial fraud prevention, ethical corporate management best practice principles, anti-corruption, and financial supervision. A total of 2,025 participants completed 17,197 hours of training. The systematic implementation of these courses highlights the Company's strong emphasis on fostering a culture of integrity.

The Company requires all suppliers to sign the Commitment to Human Rights and Environmental Sustainability Clauses, thereby promoting shared adherence to human rights policies, environmental sustainability policies, and codes of conduct (ethical corporate management, anti-corruption, anti-bribery). This ensures the implementation of environmental sustainability principles and fulfills corporate social responsibility. In 2024, 100% of suppliers signed the commitment, achieving full compliance and engagement.

3.1.4 Whistleblowing Mechanism and Handling

The whistleblowing system is a key tool for monitoring and identifying the effectiveness of the Company’s implementation of ethical corporate management. In accordance with the Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Codes of Ethical Conduct, and Whistleblower System Implementation Guidelines, the Company requires strengthening the promotion of integrity and moral values, encouraging both internal and external personnel to report suspected or identified violations of laws and regulations, unethical conduct, or breaches of ethical behavior through appropriate Company channels or designated personnel.

Scope of Whistleblowing Cases

Criminal acts: Conduct that infringes on the rights and interests of the Company and is subject to criminal penalties under the laws of the Republic of China.

Fraudulent acts: Unethical conduct as defined in the Company’s Procedures for Ethical Management and Guidelines for Conduct.

Violations of laws and regulations: Conduct that infringes on the rights and interests of the Company and violates financial-related laws, regulations, or orders announced or issued by the Financial Supervisory Commission.

The Company has also established a comprehensive whistleblowing system that allows both internal and external stakeholders to report concerns freely, while ensuring whistleblowers are fully protected from retaliation. This strengthens organizational transparency and supports effective implementation.

Email | Complaint@capital.com.tw
Tel | 02-87123780
Mailing Address | “Capital Securities Corp. Whistleblowing Mailbox” 11 F., No. 156, Sec. 3, Minquan E. Rd., Songshan Dist., Taipei City 10596 Capital Securities Corp.

The above reporting channels are also published on the official website under the ESG – Integrity Section (<https://esg.capital.com.tw/company/integrity>), ensuring that both internal and external personnel are informed and can conveniently file reports. In addition, the Company actively promotes the whistleblowing channels and introduces its mechanism through supplier conferences, employee training sessions, and other initiatives to expand the coverage of the supervisory network.

Whistleblower protection is the key to the effective functioning of the reporting system. Accordingly, the identity of whistleblowers and the details of reports are kept strictly confidential, and no information that could reveal their identity may be disclosed. Furthermore, dismissal, removal, demotion, salary reduction, infringement of rights and benefits protected by law, contract, or customary practice, or any other form of adverse treatment as a result of filing a report are strictly prohibited. In addition, the Company has established measures to protect whistleblowing data, with stringent restrictions on access rights to ensure whistleblower privacy and safety, and all responsible personnel undergo regular professional training. Finally, the results of case handling and improvement measures are promptly submitted to the Board of Directors for supervision and decision-making. At the same time, under the premise of protecting privacy and confidentiality, the Company communicates the handling status and improvement outcomes of whistleblower cases to stakeholders, thereby strengthening stakeholder confidence in the Company’s integrity practices.

Procedures for Handling Substantiated Cases

- 01/ The reported party is immediately required to cease the relevant behavior, and necessary preventive or emergency measures are implemented in advance.
- 02/ The relevant department proposes improvement measures, which are tracked by the investigating unit until completion.
- 03/ In cases involving serious violations or risks of significant harm to the Company, the responsible department must report the improvement measures and outcomes to the Audit Committee.
- 04/ When necessary, legal proceedings may be pursued to claim damages and safeguard the Company’s reputation and rights.

Data on whistleblower case handling shows that in 2024, the Company received two whistleblowing cases. However, after thorough investigation, both were confirmed not to fall under the circumstances stipulated in the Whistleblower System Implementation Guidelines and did not involve unethical conduct. Appropriate responses and actions were taken to ensure each case was properly resolved.

Year	2022	2023	2024
Number of cases received	1	5	2
Number of substantiated cases	0	0	0

In 2024, the Company further advanced the whistleblowing system and its handling and improvement mechanisms with a more proactive and detailed approach. This included strengthening case classification systems, enhancing investigation procedures, and expanding professional training for personnel. Differentiated procedures were applied based on case nature and risk level to ensure the most effective allocation of resources, thereby maximizing the effectiveness of the whistleblowing mechanism. In addition, the Company enhanced follow-up and response measures to prevent recurrence of similar situations, and continued to make improvements based on practical experience.



3.2 Risk Management

The Board of Directors, management at all levels, and all employees collectively participate in, adhere to, and promote the Company's risk management system. This system implements processes for identifying, measuring, monitoring, responding to, and reporting potential risks. Risks are disclosed accurately, completely, and thoroughly, ensuring that the Company operates steadily within its acceptable risk tolerance and effectively manages operational risks.

3.2.1 Risk Management Framework

The Company's risk management system is jointly promoted and implemented by the Board of Directors, management at all levels, and employees, thereby establishing a comprehensive risk management framework.

The system incorporates risk management structures, professional staff, operating procedures, and control measures, supplemented by regular or ad-hoc, qualitative and quantitative mechanisms for identification, assessment, and monitoring. This ensures that risks are controlled within acceptable limits. Particular focus is placed on the sequence of risk-related activities—identification, measurement, monitoring, response, and reporting. Through rigorous qualitative and quantitative models, risks are measured and managed effectively, allowing the Company to maximize returns within an acceptable level of risk, while safeguarding customer interests and maintaining financial market stability.

Accordingly, based on the operating plans or annual budgets approved by the Board of Directors and the business standards of each unit, business objectives are estimated, and upper limits for business risk control (risk appetite) are set. The risk management unit regularly evaluates the balance between risk and return, as well as the impact on the Company's capital adequacy ratio, and submits appropriateness reports for review by the Chairman and the President, with final reporting to the Risk Management Committee.

The Company's risk management organizational structure defines clear responsibilities at each level:

■ Board of Directors

As the Company's highest authority for risk management, monitoring, and approval, the Board determines risk management policies, risk appetite, and limits, supervises the operation of the risk management system, and evaluates its performance.

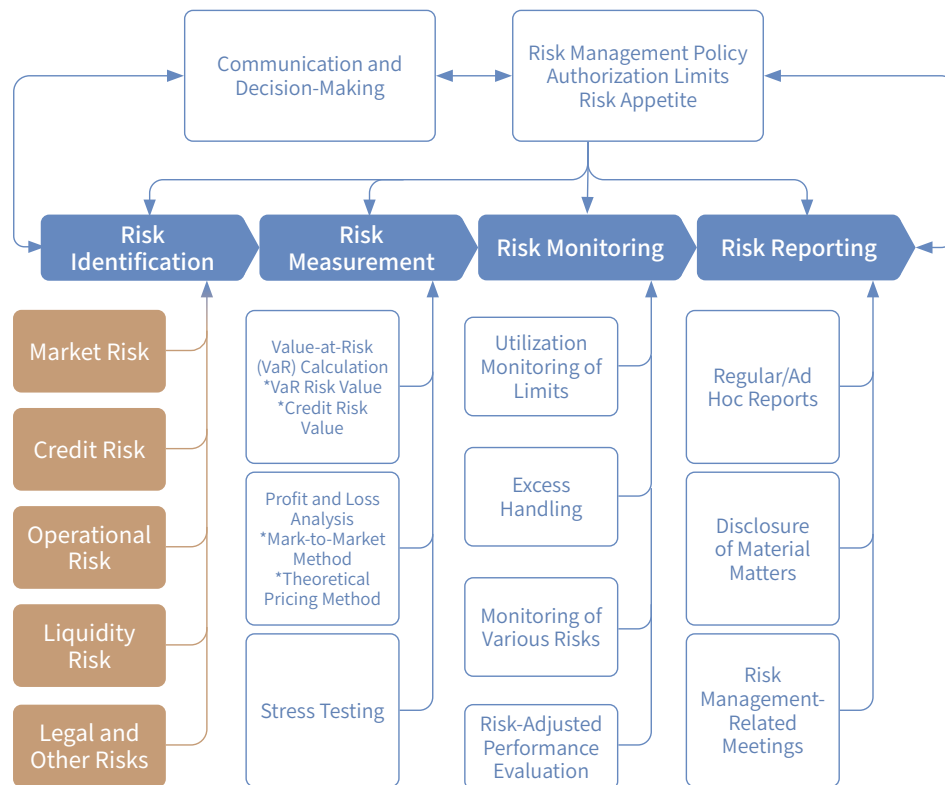
■ Risk Management Committee

Operating in accordance with the "Risk Management System" and the "Risk Management Committee Charter" approved by the Board, the Committee ensures that all risks remain within the Company's acceptable tolerance level in line with its business strategies. It enforces the risk management framework and makes timely decisions regarding the Company's exposures and responses.

■ Risk Management Unit

Acting as the independent "second line of defense," this unit operates under the "Risk Management System" and resolutions of the Board of Directors and the Risk Management Committee. It promotes the planning and execution of the risk management framework, carrying out activities related to risk identification, measurement, monitoring, and response. By employing objective and rigorous qualitative and quantitative models, the unit compiles timely and accurate risk management reports and tracks changes in risk trends, ensuring that risks remain within the Company's tolerance level.

3.2.2 Risk Identification and Management Measures



■ Risk Management

In response to the rapidly changing financial environment, the Company has established a “Risk Management System,” including related regulations, operating procedures, and risk identification mechanisms to ensure that all types of risks are effectively identified and appropriately controlled. This system integrates governance, organizational structure, strategies and measures, risk identification, assessment methodologies, target measurement, monitoring, and reporting mechanisms, serving as the foundation for daily risk management practices.

The risk management unit regularly issues risk reports that disclose exposures and monitoring results with accuracy, completeness, and thorough analysis. These reports provide feedback on the implementation and effectiveness of risk management measures. Additionally, scenario analyses and stress tests are conducted periodically or as necessary to assess the potential financial impacts of risks. The unit recommends risk management measures such as avoidance, mitigation, sharing, or acceptance, and submits them to the Risk Management Committee and the Board of Directors. This supports decision-making on risk response plans and actions, enabling the Company to manage risks and opportunities, achieve rational resource allocation, and operate within acceptable risk tolerance while protecting the interests of stakeholders.

■ Risk Identification and Assessment of the Company



The Company primarily faces market risk, credit risk, liquidity risk, operational risk, legal risk, and other risks. Through risk management procedures involving identification, assessment, measurement, and monitoring, a “Risk Management Daily Report” is issued every day to the President and the Chairman of the Board, providing them with an up-to-date understanding of the Company’s risk profile. In accordance with the “Operating Guidelines for Detecting Operational Risks,” regular meetings are held to analyze market developments and report future operational strategies, thereby supporting decision-making and execution.

The Company’s risk management system has been effectively implemented, with the risk management organizational structure functioning as intended. Comprehensive risk management systems for major risk categories are continuously maintained, including properly established risk limits and control mechanisms. Furthermore, training programs in risk management are provided for senior executives, professional staff, and general employees to ensure continuous enhancement of risk management capabilities.

In 2024, the Company further strengthened its risk identification and assessment mechanisms by refining risk assessment methodologies, broadening and deepening risk scenario analyses, and enhancing tracking and improvement mechanisms for medium- and high-risk items to ensure effective implementation and ongoing evaluation. For long-term risks, the Company emphasizes cultivating organizational culture and awareness to ensure sustained and effective advancement of risk management practices.

To effectively respond to sudden market events and operational crises, in 2024 the Company newly adopted the “Market Impact Response Guidelines” and the “Market Impact Response Implementation Rules,” and amended the “Emergency Response Guidelines for Operational Crises.” These frameworks established comprehensive mechanisms for risk detection and response. The first set of measures requires proprietary trading units to develop strategies in advance for major events such as natural disasters, geopolitical conflicts, and economic crises, and to respond promptly through trading position strategy meetings when market volatility occurs, thereby reducing the impact on profitability. The second set of measures established procedures and task forces for handling operational crisis events, ensuring timely and effective responses to various types of crises, minimizing losses, and restoring normal operations swiftly.

Impact Description

Risk Mitigation Strategies

Market Risk

Losses may occur when domestic or international issues cause market fluctuations that exceed expectations, or when potential risks materialize, leading to breaches of capital adequacy ratios and maximum loss limits.

- The Company has established control mechanisms for operational limits and risk value ceilings for each business segment:
 - ① For equities, risk values are calculated using the variance–covariance method and validated through backtesting, with a one-day Value-at-Risk (VaR) calculated at a 99% confidence level.
 - ② For bonds, risk values are managed based on basis point (bp) value, supplemented by a one-day VaR calculation at a 99% confidence level for position control.
 - ③ For derivatives, Delta and Gamma values are used as control indicators, with a one-day VaR calculated at a 99% confidence level for position control.
 - ④ For margin financing, the Company follows the maintenance ratios prescribed by the competent authority as the standard for disposal.
 - ⑤ Each business unit applies hedging tools approved by the competent authority, such as futures, options, and swaps, to adjust risk values and effectively implement the risk management system.
 - ⑥ The Company introduced the “Market Impact Response Guidelines” and the “Market Impact Response Implementation Rules,” requiring proprietary trading units to prepare response strategies for major events such as natural disasters, geopolitical conflicts, and economic crises. These frameworks establish a complete process from preventive measures, meeting procedures, and intraday adjustments to post-event reviews, ensuring effective risk control during periods of market volatility and keeping losses within acceptable limits.

Credit Risk

The risk of economic losses arising when issuers or counterparties fail to fulfill contractual obligations.

- The Company determines credit limits for issuers and counterparties based on due diligence requirements mandated by the competent authority and credit ratings provided by rating agencies.
 - ① Credit limits for stock trading are managed in accordance with regulations prescribed by the competent authority.
 - ② For derivatives, the Company calculates counterparty credit exposure daily. If limits are exceeded, counterparties are required to provide qualified collateral or reduce their positions.
 - ③ For bonds, only those with a certain credit rating or above are eligible for investment. The Company also monitors significant announcements, fundraising activities, and operating conditions of issuers as indicators of default risk. If the credit rating of held bonds is likely to fall below investment requirements, the Company will demand divestment. If immediate disposal is hindered by liquidity issues, allowances for doubtful accounts are set aside based on default probability.
 - ④ For margin financing, the Company manages customer credit and collateral securities in accordance with its internal guidelines and the maintenance ratios prescribed by the competent authority as the disposal standard.

Impact Description

Risk Mitigation Strategies

Liquidity Risk

Liquidity risk mainly involves the management of financial resources and the liquidity of financial markets.

- For financial resource management, the Company diversifies its relationships across financial institutions and adopts multiple fundraising channels. It carefully plans in advance to meet funding needs arising from business operations, monitors daily fund utilization, and supplements this with scenario analysis of extraordinary events to prepare for systemic risk-driven funding demands.
- For managing liquidity risk of positions, the Company sets guidelines based on factors such as issuance volume, trading volume, and counterparty profile. It conducts dynamic monitoring based on market conditions to effectively manage liquidity risks associated with positions.

Operational Risk

Conflicts of interest, or failure to comply with internal control systems or operating procedures, may result in potential risks and cause economic losses to the Company.

- ① Establish operating procedures and control points as required by the internal control system.
 - As the third line of defense, the Auditing Department conducts audit activities according to the audit cycle.
 - The Auditing Department issues audit reports. After business units respond with improvement plans, the reports are submitted to the President and the Chairman for review, and business units are required to implement corrective measures.
 - The Auditing Department conducts follow-up reviews to ensure that business units effectively carry out their improvement plans.
- ② Require employees to purchase fidelity insurance to reduce the risk of significant losses to the Company resulting from employees' intentional misconduct or negligence.
- ③ The Risk Management Department classifies major incidents of operational risk, such as market-making system failures and booking errors, accumulates a database, and develops models to quantify operational risk losses.

Legal Risk

Failure to conduct business, activities, or operations in compliance with legal regulations may result in penalties from regulatory authorities.

- ① The Compliance and Legal Affairs Office, together with the Auditing Department, supervises and inspects to ensure that relevant departments comply with all applicable regulatory requirements.
- ② Review the legality of contracts to safeguard the Company's interests.
- ③ Provide employees with irregular training on the latest regulatory updates to strengthen compliance awareness and reduce the risk of violations.
- ④ Strictly comply with regulatory requirements on recent compliance priorities, including anti-terrorism financing and anti-money laundering, personal data protection, and fair treatment of customers, and allocate appropriate resources to implement corresponding action plans.

ESG and Climate Risk

- Taiwan's 2050 Net Zero Pathway and Strategy
- Green Finance Action Plan 3.0
- Sustainable Development Roadmap
- Reference Guidelines for Identifying Sustainable Economic Activities
- Practical Guidelines on Risk Management
- Responsible Investment Requirements
- Climate Risk Impact Response
- Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies
- Regulations Governing Information to be Published in Annual Reports of Public Companies
- Other sustainability-related regulations

- ① ESG and climate risk management is conducted in accordance with the Company's "Sustainable Development Best Practice Principles," "Directions for Stewardship and Sustainable Investment," and regulatory requirements, and gradually aligned with the framework required by the TCFD, with regular disclosures of potential financial impacts from climate risks.
- ② In line with the Carbon Neutrality Agreements and Taiwan's "Climate Change Response Act," the Company evaluates both "transition risks" faced by investee and financing companies, as well as "physical risks" under extreme climate conditions, and formulates corresponding operational transformation and risk management strategies. Meanwhile, the Company is actively building a climate risk database to reduce data gaps and enhance quantitative methodologies.

Earthquake Risk

As the Company's headquarters and most of its business locations are situated in Taiwan, which lies within the Pacific Ring of Fire, earthquakes occur frequently, with the possibility of magnitude 7.0 or higher. Such events may severely impact the Company's assets and personnel, while also disrupting financial markets and clients' operations and profits, thereby indirectly affecting the Company's operating performance.

- ① The Company has implemented the ISO 22301 Business Continuity Management System, which includes emergency response plans and measures for earthquake risks. Detailed operating procedures are outlined in the "Earthquake Response and Handling Procedures" to serve as internal guidelines for employees during earthquake disasters.
- ② To ensure employees are familiar with the above mechanisms and procedures, at least one earthquake drill is conducted annually. Prior to the drill, a plan is prepared based on the established procedures and emergency response measures. During the drill, designated staff lead, initiate, and supervise the entire process, reviewing employees' execution at each stage. Differences between the procedures and the actual response are analyzed, and a review meeting is held afterward to identify areas for improvement. A report is then prepared to document the results, forming the basis for further enhancement of measures. This process verifies the feasibility of emergency response plans, strengthens employee readiness, and reinforces the management system.
- ③ With respect to financial markets and clients' operational gains and losses, which may indirectly affect the Company's profitability, this year the Company conducted forecasts of the securities market's potential impact on investment gains and losses. Based on scenario analysis and projections, potential investment losses are estimated to be between NT\$80 million and NT\$100 million, a level still within the Company's financial capacity and capital adequacy ratio. Going forward, this data will serve as a reference for business units in evaluating investment and financing risks, formulating response measures, and diversifying risks.



	Impact Description	Risk Mitigation Strategies
Capital Adequacy	Operating Risk	◦ The Company regularly monitors its operating risks and conducts annual capital adequacy simulations under stress scenarios based on the annual business volume limits set by each department. These simulations serve as the basis for capital adequacy planning and corporate strategic development.
Information Security Management	Security incidents involving theft, alteration, damage, loss, or leakage of client data and confidential information.	④ Formulate information security management policies, introduce and establish an Information Security Management System (ISMS), and adopt the “Plan-Do-Check-Act (PDCA)” cycle to establish an information security management framework and ensure its effective operation and continuous improvement. ⑤ In addition to complying with government regulations, specific management plans are also based on the Company’s internal control standards, technology, and IT knowledge. Information security risk assessments, audits, and improvement measures are carried out annually to maintain the validity of ISO certification. ⑥ Plan and implement multiple testing and drill exercises, such as social engineering drills, disaster recovery drills, information security health checks, impersonation fraud detection and takedown, etc., to verify effectiveness and implementation. ⑦ Allocate an information security budget to strengthen the Company’s defense operations, including antivirus software, IPS, DLP, source code scanning, SIEM monitoring, regular APP testing, penetration testing, red/blue team exercises, and cybersecurity insurance. ⑧ The Chief Information Security Officer reports annually to the Board of Directors on the overall implementation of information security.
Other Risks	Natural disasters, man-made disasters, and ICT-related incidents—such as island geography, climate volatility, limited resources, and frequent earthquakes—may impact the Company’s business continuity and recovery capacity.	◦ Establish “Business Continuity Management Guidelines” to regulate emergency response systems and mechanisms, including organizational roles and members, reporting protocols, assessment methodologies, emergency response plans, resources and support, drills, and post-event review and improvement measures. ◦ Establish “Emergency Response Guidelines for Operational Crises” to address business crises such as impacts from foreign financial institutions or industry peers, major defaults, significant investment losses, capital shortages, severe physical disasters, capital adequacy deficiencies, and misconduct. Clear handling procedures and reporting mechanisms are defined. The Chairperson may form a crisis management task force depending on the situation, adopt appropriate measures, and establish sound capital control and IT management mechanisms to ensure rapid response and recovery of operations when crises occur.

No key critical events were reported to or discussed at the Board of Directors this year. For other board agendas, please refer to the Company’s [official website - About - Organization/Management Team About Organization/Management Team](#).



■ Training and Awareness Promotion

The Company has developed a top-down risk education and training framework. By regularly sharing laws, regulations, systems, and case studies, all employees are assisted in recognizing risk types and management measures, thereby embedding risk management concepts into business, activities, and operations. In particular, employees are instructed that when potential risks are identified, they must follow the procedures of identification, assessment, monitoring, and response, reporting from department executives to the risk management unit, then to the President, and regularly to the Risk Management Committee and the Board of Directors.

- Education and training on risk management and internal controls for directors: 100% participation rate.
- Risk management and internal control training for all employees, as shown in the table below.

Target Group	Training Participants	Training Hours
Management	6,265	6,140.5
General Staff	83,676	41,029
Total	89,941	47,169.5

3.3 Regulatory Compliance

The first line of defense is composed of business units and management units, which directly face clients like frontline soldiers, and are responsible for identifying, assessing, and controlling regulatory compliance in business operations. The second line of defense consists of units such as the Compliance and Legal Division and the Risk Management Department, which assist management in supervising risks, and in formulating strategies and standards. The third line of defense is the Auditing Department, which independently reviews the effectiveness of the first two lines of defense to ensure the smooth operation of the overall mechanism.

3.3.1 Compliance Framework

The Company sails forward steadily in the tides of the market with “the interests of the public” as its compass, viewing regulatory compliance as the unshakable framework of the corporate voyage, ensuring the safe navigation of every decision and service.

The head of the Compliance and Legal Division serves as the Chief Compliance Officer of the head office, overseeing company-wide compliance affairs. Through the Compliance Risk Self-Assessment Mechanism, the officer supervises each department’s compliance practices and regularly reports the compliance status to the Board of Directors.

In accordance with the “Compliance Risk Management, Assessment and Independent Reporting Guidelines” and the “Standards for the Contents and Procedures of Compliance Evaluation,” the Company has established a compliance risk management framework. The overall compliance risk assessment process includes: selecting compliance issues, identifying inherent risks, evaluating the effectiveness of control measures, measuring residual risks, and proposing improvement plans, forming a comprehensive cycle of continuous improvement. The key management elements are:

For compliance evaluation, each department is required to assign staff members to respond to self-assessment results for compliance issues. The Compliance and Legal Division then issues a Compliance Risk Assessment Report, enabling senior management and directors to understand, in a timely, effective, complete, and accurate manner, the legal compliance risks faced by the Company.

Additionally, for the Company’s business, activities, and operations, in the event of significant customer complaints involving legal violations, or penalties, corrections, or sanctions imposed by the competent authority, the Compliance and Legal Division will conduct compliance risk inspections of the violating unit to promptly manage risks and implement corrective measures.



The Company has established the “Whistleblower System Implementation Guidelines,” “Regulations for the Handling of Business Disputes,” and “Guidelines for Using the Employee Suggestion Mailbox.” Both internal and external personnel, if suspecting or discovering improper, dishonest, or other illegal acts, may in principle report or notify according to the aforementioned regulations and designated channels. To prevent ineffective use, the Company has also formulated the “Compliance Risk Management, Assessment and Independent Reporting Guidelines,” which allow reporting directly to the Compliance and Legal Division. In cases judged as “major violations” under the “Guidelines for Major Incident Handling and Reporting Mechanism,” or compliance risks resulting in significant losses that endanger Company operations, the Compliance and Legal Division shall immediately report independently to the President and activate subsequent response and corrective mechanisms.

- 01 conducting regular compliance risk assessments to identify inherent risks, evaluate control effectiveness, and measure residual risks.
- 02 requiring each business unit to conduct regular self-assessments of compliance practices.
- 03 establishing a regulatory change monitoring mechanism to track regulatory amendments in a timely manner.
- 04 creating a clear reporting and handling mechanism for compliance risk events.

3.3.2 Training and Awareness Promotion



Only by continuously strengthening and updating the awareness of regulatory compliance among all employees can the Company ensure that its operations comply with all regulatory requirements. Therefore, in addition to regularly communicating updates on external regulatory changes, the Company actively promotes various education and training programs to guide each employee in mastering the key requirements of compliance.

In 2024, the content of compliance education and training covered diverse topics, including advocacy on anti-money laundering regulations, legal responsibilities of securities professionals, regulations on ethical corporate management, regulations on related-party and insider transactions, incident response drills for personal data breaches, advocacy on anti-money laundering, combating terrorism financing and fair treatment of customers, regulations on prohibited conduct for securities professionals, dispute resolution procedures, regulations on personal data protection, advocacy on the Financial Consumer Protection Act and Fair Treatment Principles, as well as anti-fraud awareness.

•Compliance supervisors and staff of the head office, as well as personnel from the Compliance and Legal Division, received an average of 57.5 hours of compliance-related in-service training, totaling

287.5 hours

•All Company employees received an average of 29 hours of compliance training, with a total of

57,855 hours completed

3.3.3 Annual Deficiency Improvements



Analysis of Cases Involving Violations of Regulations and Penalties

Year	2023	2024
Monetary Penalty Cases	4	1
Non-Monetary Penalty Cases	4	0
Major Penalty Cases	1	0
Violations of Regulations or Voluntary Codes on Product and Service Information and Labeling	0	0

Note: The definition of a major penalty case is based on cases identified by the FSC as major penalties or fines of NT\$500,000 or more.

In April 2024, the Company was fined NT\$300,000 by the Financial Supervisory Commission (FSC) (Penalty No. 11303317021 under Article 2, Paragraph 2 of the Regulations Governing Securities Firms). The matter was reported to the 12th Board of Directors at its 12th meeting on May 13, 2024.

This penalty resulted from an audit conducted by the Taiwan Stock Exchange at the Company’s Tucheng Branch from November 7 to 8, 2023. The audit found that a securities broker engaged in lending and borrowing transactions with clients’ funds, indicating deficiencies in the execution of the internal control system. In response to this challenge, the Company acted prudently and promptly by implementing a series of corrective measures, such as reiterating regulatory requirements and prohibited conduct to all sales representatives, strengthening compliance training and self-discipline awareness among internal staff, enhancing conflict-of-interest review procedures for business personnel, and increasing both the frequency and depth of audits to ensure the soundness of the internal control system.

Going forward, the Company will continue to strengthen its compliance framework to ensure that every business activity and operational procedure conforms to regulations, safeguards client rights, maintains market order, and fulfills its management philosophy of prioritizing “the interests of the public.”

3.4 Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF)

3.4.1 AML Policies and Framework

The Company recognizes that anti-money laundering and counter-terrorism financing are critical social responsibilities in the financial industry. Upholding a corporate culture of integrity, the Company continues to strengthen its AML and CTF management mechanisms in compliance with domestic and international regulations, such as the Money Laundering Control Act, the Counter-Terrorism Financing Act, and the Regulations Governing Anti-Money Laundering of Financial Institutions. Moreover, the Company has adopted a Risk-Based Approach (RBA) to establish a comprehensive AML and CTF management system, ensuring that business development aligns with risk management.

In addition, the Company has formulated AML and CTF risk assessments and operational guidelines, implementing a risk-tiering system. Risk assessment items include customer, product and service, geographic, and transaction or payment channel factors. Different risk factors are defined to evaluate inherent risks without controls. Based on the results of inherent risk assessments, the Company establishes corresponding risk-mitigation measures. Following the implementation of these measures, the Company evaluates whether the residual risks fall within its risk tolerance and examines the effectiveness of control and mitigation.

Furthermore, the Company regularly reviews key AML, CTF, and counter-proliferation financing issues, conducts training and awareness promotion, and continuously improves its management system. Looking ahead, the Company will further enhance its management framework by strengthening customer due diligence procedures and reinforcing risk control mechanisms for cross-border financial transactions.

■ Oversight by the Board of Directors and Senior Management

As the Company's highest governance body, the Board of Directors holds ultimate responsibility for anti-money laundering (AML) and counter-terrorism financing (CTF) efforts. To strengthen oversight, regular reports on the implementation of AML and CTF measures are submitted to the Board of Directors.

In 2024, the implementation status of AML and CTF was presented at the 12th and 15th meetings of the 12th Board of Directors, enabling senior management and the Board to obtain timely, effective, comprehensive, and accurate understanding of the money laundering, terrorism financing, and proliferation financing risks faced by the Company.

Furthermore, the Chairperson, President, Chief Auditor, and the designated AML/CTF Compliance Officer jointly issue the Statement of Internal Control System for AML and CTF annually, underscoring the Company's strong emphasis and commitment to AML and CTF practices.

These statements are publicly disclosed in the Corporate Governance section of the Company's official website, reflecting transparency in governance.

■ Dedicated Units and Personnel Deployment

The Company has established a dedicated AML and CTF unit within the Compliance and Legal Division. The Chief Compliance Officer at the head office also serves as the AML/CTF Compliance Officer, overseeing all AML and CTF affairs across the Company.

The Compliance and Legal Division is staffed with dedicated personnel who possess professional qualifications and extensive experience. Their responsibilities include revising management systems, conducting risk assessments, providing education and training, and supervising implementation. In addition, each business unit appoints an AML/CTF supervisory executive responsible for overseeing and executing AML and CTF efforts within their respective units.

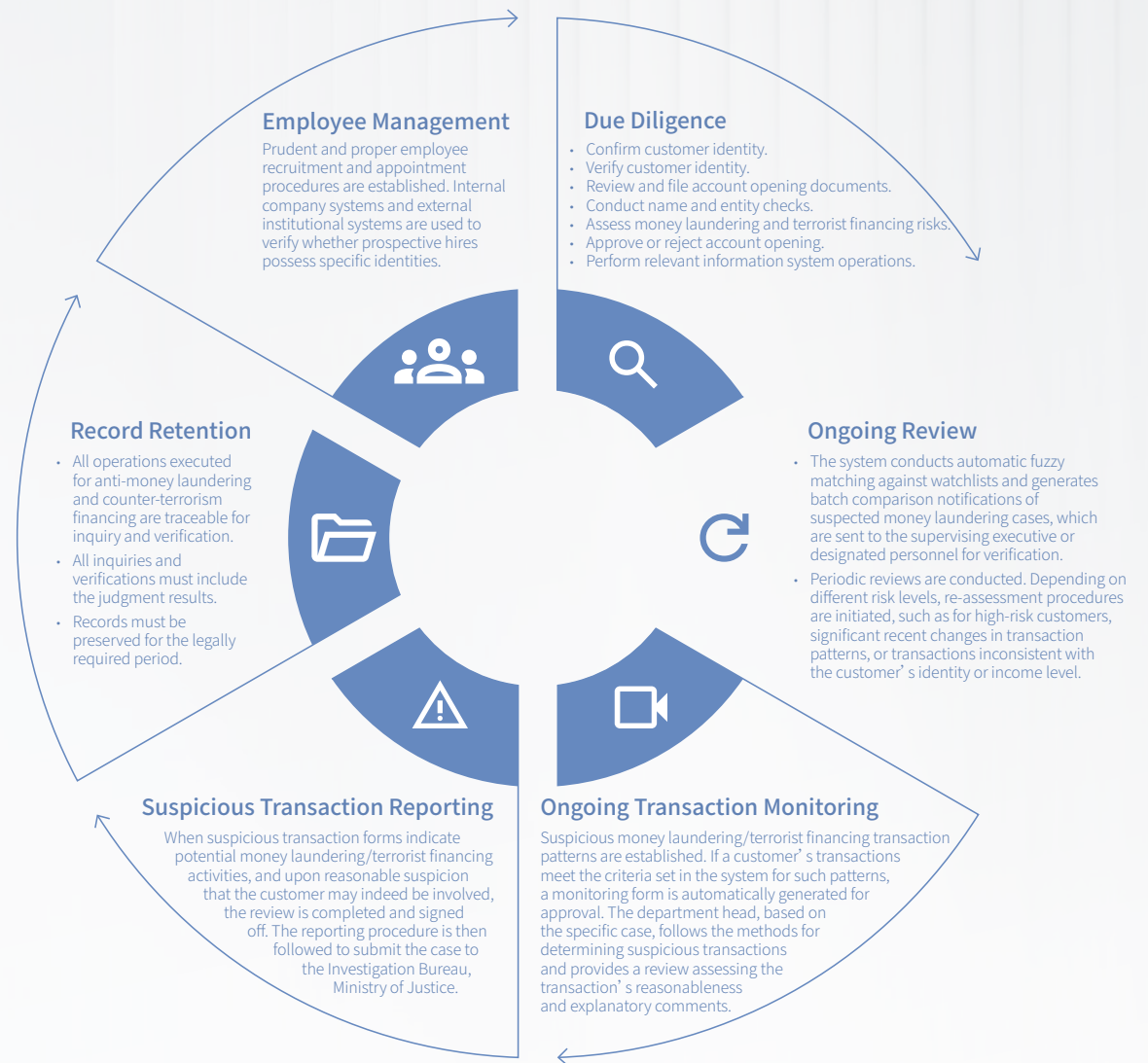


3.4.2 Risk Assessment and Customer Due Diligence

■ Risk Assessment Method

The Company adopts a comprehensive risk assessment method by setting evaluation indicators and weights for each risk factor, enabling an objective and holistic assessment of potential money laundering and terrorist financing risks, and allocating appropriate resources for risk management.

Regarding customers, factors such as background, occupation, socioeconomic activities, geographic location, and organizational structure (for non-natural persons) are considered to identify risks of money laundering, terrorist financing, or proliferation financing. Furthermore, customers or beneficial owners with specific identities are defined as high-risk customers, requiring enhanced identity verification or ongoing review measures, including obtaining approval from department heads before establishing or expanding business relationships.



■ Customer Due Diligence and Risk Grading Process Optimization

To ensure the effectiveness of customer due diligence (CDD), in 2024 the Company enhanced its CDD procedures, with a particular focus on strengthening reviews of high-risk customers. Specific measures included:

01

Enhanced review mechanisms: Customers classified as high-risk or above were subject to enhanced due diligence measures, including but not limited to obtaining information on personal wealth and sources of funds, conducting on-site visits, and performing telephone interviews. Transactions could only proceed upon approval by the responsible executive.

02

Identification of beneficial owners: The process of identifying ultimate beneficial owners (UBOs) was improved, particularly for corporate clients with multi-layered ownership structures. More detailed ownership information was required to ensure accurate identification of the ultimate beneficial owner.

03

Ongoing monitoring and periodic reviews: In addition to blacklist checks conducted upon updates to watchlist databases, the Company carried out periodic reviews of customers and their related parties based on their risk classification. High-risk customers were reviewed annually, medium-risk customers every three years, and low-risk customers every five years. In 2024, the completion rate of periodic reviews for high-risk customers increased, reflecting the Company's strong emphasis on managing high-risk clients.

04

Ensuring consistency and efficiency of due diligence: Standardized CDD procedures and forms were established, and system support was applied to minimize human error and improve operational efficiency.

3.4.3 Transaction Monitoring and Suspicious Transaction Reporting

■ Transaction monitoring mechanisms and procedures

The Company has established a comprehensive transaction monitoring mechanism to identify and analyze potential money laundering and terrorist financing risks. Through system-preset risk indicators, monitoring is conducted to detect unusual transaction patterns, such as large cash transactions, frequent small-value transactions, cross-border transactions, dealings with high-risk countries or regions, and transactions inconsistent with the customer's risk classification.

The analysis and handling of unusual transactions is divided into four stages:

01

Transaction detection: The system automatically screens potential unusual transactions based on preset risk indicators.

02

Preliminary analysis: Designated personnel conduct an initial analysis of transactions flagged by the system to eliminate those that are clearly non-suspicious.

03

In-depth investigation: Transactions that remain questionable after preliminary analysis undergo further investigation, including reviewing customer background, transaction history, overall transaction patterns, fund flows, and counterparties.

04

Decision and reporting: Based on the investigation results, a decision is made on whether the transaction should be reported to the Investigation Bureau of the Ministry of Justice, and related investigation records are retained.

To enhance the efficiency and accuracy of transaction monitoring, the Company continuously adjusts relevant systems, automated programs, and monitoring indicators to better reflect the latest money laundering and terrorist financing risk trends.

■ Suspicious transaction reporting

The Company strictly complies with the Money Laundering Control Act and related counter-terrorism financing regulations. To ensure timeliness and accuracy in reporting, a rigorous reporting process and review mechanism has been established. Suspicious transactions meeting reporting standards are filed with the Investigation Bureau of the Ministry of Justice. The Company also regularly reviews reporting practices to continuously improve reporting quality.

3.4.4 Application of Digital Technology

■ AML/CFT System Functions and Upgrades

The Company recognizes the critical role of information systems in anti-money laundering (AML) and countering the financing of terrorism (CFT) efforts and continues to invest in enhancing system functionalities. In 2024, the primary directions of system enhancement include:

- 01/ **Customer Risk Scoring Model:** Improved risk scoring algorithms by incorporating additional risk indicators, allowing the scoring mechanism to more accurately reflect the actual risk profile of customers.
- 02/ **Enhanced Transaction Monitoring:** Expanded abnormal transaction monitoring indicators and integrated behavioral analysis functions, enabling the detection of more complex suspicious transaction patterns.
- 03/ **Upgraded Sanctions List Screening:** Increased the accuracy of list matching, reduced false positives, and accelerated matching speed to enhance operational efficiency.
- 04/ **Enhanced Reporting and Analytics:** Developed diversified analytical reports that provide a more comprehensive data perspective, assisting designated personnel in monitoring the effectiveness of AML/CFT measures in a timely manner.
- 05/ **Natural Language Processing (NLP):** Applied NLP technology to analyze unstructured data, such as customer information and public news, to help identify potential risk activities. This is particularly valuable in strengthening monitoring of Politically Exposed Persons (PEPs) and high-risk customers.
- 06/ **Automated Phonetic Name-Matching System:** To comply with AML/CFT regulatory requirements while ensuring account opening efficiency, the Company independently developed an automated system for phonetic name comparison and similarity scoring.

The system allows one-click access to customer credit, bounced check records, and AML watchlist information, significantly improving operational efficiency. Processing time has been reduced from an average of 15 minutes to 3 minutes, representing an 80% efficiency increase, while also minimizing the risk of human error.

These system upgrades will further enhance the efficiency of AML/CFT operations, strengthen the effectiveness of risk management, and enable the Company to identify and respond to potential risks more promptly and accurately.



3.4.5 Effectiveness of Education and Training

■ AML/CFT Training Programs



The Company places great emphasis on education and training in anti-money laundering (AML) and countering the financing of terrorism (CFT). The Compliance and Legal Division regularly or occasionally communicates updates on the Money Laundering Control Act, Counter-Terrorism Financing Act, and the Regulations Governing Anti-Money Laundering of Financial Institutions to relevant departments. Training courses are conducted for employees of different functions and levels to ensure professional sensitivity, maintain real-time monitoring, enhance operational quality, and effectively implement account and transaction monitoring procedures:

- 01/ **Basic Training:** Provided to all employees, covering the fundamental concepts of AML/CFT, regulatory requirements, and Company policies.
- 02/ **Advanced Training:** Designed for employees directly involved in AML/CFT tasks, offering in-depth instruction on risk identification, customer due diligence, and transaction monitoring.
- 03/ **Management Training:** Tailored for senior executives, emphasizing their roles and responsibilities in AML/CFT governance.
- 04/ **Specialized Training:** Focused on specific topics or emerging risks, such as money laundering risks associated with virtual assets or cross-border transaction monitoring.

The Company requires designated AML/CFT executives, specialists, and domestic business unit supervisory executives to complete 12 hours of AML/CFT training annually. Training content includes newly amended laws, evolving money laundering and terrorist financing risk trends, and typologies, ensuring that they maintain the professional capability to execute AML/CFT responsibilities.

Furthermore, through comprehensive and effective training programs, all employees are equipped with the essential knowledge and skills required of securities professionals, enabling them to effectively identify AML/CFT risks and collectively safeguard the soundness and security of the financial system.

Climate Action Pioneer

To address the financial impacts of climate risks and opportunities, the Company has established a governance framework and formulated climate strategies. By leveraging green finance and responsible investment management measures, the Company effectively exerts financial influence to drive clients and industries toward sustainable and green transformation. Key indicators and targets are reviewed in a timely manner, ensuring effective implementation and continuous improvement to identify and respond to related impacts.

- ✓ Preparation of Climate Change (TCFD) Report
- ✓ Continuous review and expansion of responsible investment management scope and system

Green and sustainable bonds

Underwrote **16** issues / NT\$ **2,849,092**

(investment positions as of 2024/12/31)

Underwriting revenue incorporating ESG factors

NT\$ **83,278,246**

Green and sustainable bond positions

Increased by **16.86%** compared to 2023

Represented 5.87% of total bond positions

Number of investee companies engaged on ESG issues and engagement frequency

1,300 companies **3,619** engagements

Loans/Investments involving ESG

NT\$ **21,078,958,588**

4.1 Climate Governance Mechanism

Organization	Chairperson/ Convener	Meeting Frequency	Climate Governance Role
Board of Directors	Chairman	At least once per quarter (may convene at any time if necessary)	The highest governance body for climate-related issues, responsible for supervising climate risk management and approving climate strategies and targets.
Integrity and Sustainable Development Committee	One member elected by all committee members as convener	At least once per quarter (may convene at any time if necessary)	•Under the Board of Directors •Reviews climate and environmental trend issues, formulates and promotes climate action strategies and risk management measures, regularly tracks implementation results, and reports to the Board of Directors.
Risk Management Committee	Chairman	At least once per quarter (may convene at any time if necessary)	•Under the Board of Directors •Supervises the implementation of climate-related risk management systems and targets, integrates and coordinates major risk management matters, regularly reviews the execution of climate risk assessments, and reports to the Board of Directors.

4.1.1 Climate Governance

Climate change has become one of the risk factors impacting the Company. With the influence of climate change and shifts in the socio-economic environment, the nature of risks has also evolved. The impacts of climate change pose a challenge to the resilience of the Company’s overall risk governance, while also offering new opportunities for future business development.

Board of Directors

The Board serves as the highest governance body for climate-related issues, responsible for overseeing climate-related risk management as well as the approval of climate strategies and targets.

Climate issues are considered as key factors in corporate governance and business strategy. The Board continuously monitors and responds to carbon reduction policies, guiding and supervising effectiveness from the top down through risk management mechanisms, while ensuring bottom-up execution and progress reporting to create a continuous improvement cycle. The Board regularly reviews reports on climate change action strategies and risk management measures, examines the content, execution challenges, and performance results, and ensures effective supervision of progress, resource allocation, and the approval of climate risk management policies. It also monitors the Company’s exposure to climate risks to ensure the establishment of an appropriate risk appetite and the maintenance of an effective climate risk management system.

Integrity and Sustainable Development Committee

Composed of the Chairperson and two independent directors, this committee is responsible for implementing sustainability practices and reports execution results and future work plans to the Board on a quarterly basis.

Directors' Continuous Improvement in Climate Governance Knowledge

In 2024, a total of eight directors of the Company participated in training related to sustainability and climate change topics, accumulating 38 hours of professional development. This enhanced the Board's knowledge, awareness, and capabilities in climate consciousness, risk management, and sustainable finance, while keeping abreast of international trends and regulatory changes. These improvements strengthen the Board's ability to respond to and implement measures, ensuring effective supervision of the Company's climate governance mechanisms.

Risk Management Committee

Composed of the Chairperson and two independent directors, this committee is responsible for overseeing the Company's risk management functions. It assists the Board in supervising the implementation of climate-related risk management systems, sets annual risk limits and monitoring thresholds, and reviews the Company's risk management policies and frameworks. The committee ensures alignment between short-term goals and long-term development, integrates and coordinates cross-departmental risk management issues, and facilitates communication on significant risk management matters. Meetings are convened quarterly, and resolutions are subsequently reported to the Board.

Integrity and Sustainable Development Operation Office

Under the Integrity and Sustainable Development Committee, the President serves as the Chief Executive Officer. This office integrates the Company's resources to embed sustainability goals and strategies across departments. It regularly reviews climate and environmental trends and results identified by various units, formulates and promotes climate change action strategies and risk management measures, and confirms short-, medium-, and long-term plans. It also manages performance evaluation results for reporting to the Board. This not only underscores the Company's commitment to climate governance but also demonstrates its determination to deeply embed sustainability into strategic decision-making.

Linking Sustainability Performance

To align with the Company's business objectives and sustainability development goals, the "Performance Management Indicator KPI Implementation Regulations" were specifically revised to include climate change-related issues, such as greenhouse gas inventory and green bond underwriting, as part of the performance evaluation indicators for departments and senior executives. This drives the entire Company to achieve climate action targets and objectives.

Furthermore, a Climate Change Task Force was established, with the executive of the Risk Management Department serving as the convener to coordinate task execution. This task force is responsible for identifying and assessing climate change risks and opportunities, assisting in the development of relevant quantitative methods and indicators, and further formulating management measures to mitigate or adapt to the impacts of climate change. It develops strategies, action plans, and risk management policies to address impacts on the Company, and regularly reports to the President.

Participating Directors	Training Course Titles	Training Hours
Lee, Wen-Chu	• Corporate Governance Lecture – Practicing Impact Investment and SDGs	3
Liu, Ching-Tsun	• Structure and Value of Corporate Sustainability Reports • ESG—Trends and Corporate Response Strategies for Net-Zero Transformation	3
Fu, Chien-Yi	• New ESG Trends in Labor Relations – Managing Labor Rights in a Sustainable Supply Chain	3
Lin, Tzu-Yi	• Practical Concepts and Applications of ESG Investing • Analysis of Sustainability Trends and Related Business Risks and Opportunities	3
Tsai, I-Ching	• 2024 Securities Industry Sustainability Transition Strategy Promotion Seminar	2
Chang, Yi-Ping	• Relevant Laws Boards Should Consider Under the ESG Wave	3
Shea, Jia-Dong	• Challenges and Opportunities in Sustainability Pathways and Introduction to GHG Inventory • WIW Joint Forum – Technology, Digital Finance, Crypto Assets, and Sustainable Finance	3
Lin, Tsalm-Hsiang	• Sustainable Supply Chain Strategies Amid Rising Global Risks • Latest Practices and Trends in Climate-Related Financial Disclosures • Challenges and Opportunities in Sustainability Pathways and Introduction to GHG Inventory	3



■ Climate Change Response Cycle

Scenario Analysis and Financial Impact Assessment

Conduct specific evaluations of the impacts of climate-related risks and opportunities, analyzing their effects on the Company's finances, strategy, operations, business, and investments over short-, medium-, and long-term timeframes.

Strategy Development and Measures for Climate Resilience, Mitigation, and Adaptation

Based on scenario analysis of various climate change pathways, perform materiality rankings and formulate corresponding business or operational strategies and financial planning measures. This strengthens the Company's adaptive capacity and ability to respond to transition and physical risks, thereby improving the management and control of climate-related risks and opportunities.

Indicators and Targets

Set short-, medium-, and long-term indicators and targets according to the Company's risk appetite, to manage and track the progress of resilience-related mitigation and adaptation measures.

Climate-Related Financial Disclosure Report

Prepare a stand-alone report structured around the four core elements of governance, strategy, risk management, and metrics and targets.

■ Risk Management Department

The department regularly reviews the Company's short-, medium-, and long-term development goals and performance indicators for climate risk management. It also coordinates cross-departmental communication and supervises the Company's overall response to the impacts of climate change. Policies to address climate risks and potential opportunities related to market transition are developed, with regular reports submitted to the President and quarterly climate performance results reported to the Board of Directors to enhance the Company's resilience to climate risks.

Routine tasks for climate risk management are as follows:

- Establish risk indicators and assessment methods to identify departments, counterparties, and clients (both existing and potential) exposed to climate-related risks, evaluate their impacts, and analyze the financial, strategic, operational, product, and investment implications of such risks over different timeframes (short, medium, long term).
- For identified climate risks, establish materiality assessments and scenario analyses to evaluate and disclose potential financial impacts on the Company from physical and transition risks:

- I. Measure the impacts of physical and transition risks brought by climate change and develop concrete response plans.
- II. Apply diverse methods and tools to measure climate-related risks and actively adopt scenario analysis.
- III. Monitor and report on climate risk exposures to ensure consistency with the Company's risk appetite, with regular updates provided to the Board of Directors and senior management.

4.1.2 Climate Risk and Opportunity Identification and Financial Impact Assessment

In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company has incorporated financial and operational impact assessments of climate-related risks and opportunities. With reference to Taiwan's net-zero emission policy, industry characteristics, and external consultant recommendations, the Company has defined the timeframes as short-term (2024, within 1 year), medium-term (2030, 1–10 years), and long-term (2050, more than 10 years). These serve as the basis for estimating potential impacts, identifying different climate-related risk types and characteristics, and evaluating the overall economic impact on the Company. The results are further quantified to estimate financial implications, thereby strengthening resilience to climate change risks, exploring opportunities within sustainable development trends, and facilitating the implementation of corresponding strategies, metrics, and targets.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Company adopts two evaluation criteria—"materiality assessment"¹ and "likelihood of occurrence"—to classify climate-related risks and opportunities using a two-dimensional matrix. Those deemed to have a "high impact" or above are prioritized in the materiality ranking. Based on the results, the Company develops appropriate risk response measures.

Climate-related Risk and Opportunity Levels

Materiality Ranking							Climate-related Risk and Opportunity Levels	Impact Magnitude
Likelihood of Occurrence	5 Very High	6	7	8	9	10	No or Negligible Impact (1)	2 to 3
	4 High	5	6	7	8	9	Minor Impact (2)	4 to 5
	3 Medium	4	5	6	7	8	Moderate Impact (3)	6 to 7
	2 Low	3	4	5	6	7	High Impact (4)	8 to 9
	1 Very Low	2	3	4	5	6	Severe Impact (5)	10
		1 Almost None	2 Low	3 Medium	4 High	5 Severe		
Materiality Assessment								

In addition to the material climate risks and opportunities identified for the current year, the Company continues to monitor previously identified medium- and long-term risks, issues, and corresponding strategies. The overall identification results of climate-related risks and opportunities for 2024 are as follows:

¹ According to the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities," material information includes events that are expected to significantly impact the Company, such as substantial losses, suspension/termination of operations, or going-concern issues. These are categorized as having extremely high levels of impact.

Climate-related Risk Matrix

Materiality Ranking of Climate-related Risks						
Likelihood of Occurrence	5 Very High					
	4 High				① ②	
	3 Medium		③ ⑤ ⑦ ⑩ ⑬ ⑮ ⑰			
	2 Low		⑭ ⑯ ⑲ ⑳	⑥ ⑧ ⑨ ⑪		
	1 Very Low	⑱ ⑳	④	⑫		
		1 Almost None	2 Low	3 Medium	4 High	5 Severe
Materiality Assessment						

Climate Risks
① Rising carbon pricing of greenhouse gas emissions
② Strengthened emission reporting obligations
③ Requirements and regulations for existing products and services
④ Exposure to litigation risk
⑤ Substitution of existing products and services with low-carbon alternatives
⑥ Failure of investment in new technologies
⑦ Costs of transitioning to low-carbon technologies
⑧ Changes in customer behavior
⑨ Uncertainty in market information
⑩ Rising raw material costs
⑪ Shifting consumer preferences
⑫ Industry stigmatization
⑬ Growing stakeholder concerns and negative feedback
⑭ Increased severity of extreme weather events such as typhoons and floods (SSP2-4.5)
⑮ Increased severity of extreme weather events such as typhoons and floods (SSP3-7.0)
⑯ Changes in rainfall (water) patterns and extreme shifts in climate models (SSP2-4.5)
⑰ Changes in rainfall (water) patterns and extreme shifts in climate models (SSP3-7.0)
⑱ Rising average temperatures (SSP2-4.5)
⑲ Rising average temperatures (SSP3-7.0)
⑳ Rising sea levels (SSP2-4.5)
㉑ Rising sea levels (SSP5-7.0)

Material Climate-related Risks and Opportunities

Issues identified as exceeding acceptable levels based on the assessment results.

Ongoing Monitoring

Continuous attention to previously identified risks and opportunities, along with the effectiveness of implementation measures.



Transition Risk	Climate Risk	Risk Category
Policies and Regulations	Increase in Greenhouse Gas Emission Pricing	Operational Risk
Actual and Potential Risks		
Short- and Medium-term Risks		
① Requirements for greenhouse gas emission disclosure, verification, or assurance may impact the Company's overall control and supervision of greenhouse gas emissions. ② In accordance with the Climate Change Response Act and related sub-laws, the disclosure scope of greenhouse gas emissions is required to include those of the Company's investment targets or cooperative clients. At the same time, carbon fees are levied based on the Company's declared greenhouse gas emissions, which may alter the financial expenditure structure of specific companies, resulting in changes to investment and financing returns or operational risks. ③ Rising carbon prices may place pressure on the yields of bonds issued by high-emission companies, leading to bond price declines; they may also prevent industries or enterprises reliant on high emissions from effectively passing on the costs of carbon fees.		
Long-term Risks		
④ To comply with Taiwan's 2050 Net-Zero Carbon Emission policy, the Company must continuously implement effective energy-saving and carbon-reduction measures to mitigate the impact on overall greenhouse gas emissions. ⑤ The revenue of investment and financing targets may be affected by their responses to Taiwan's 2050 Net-Zero Carbon Emission policy, which, over time, could lead to stock price declines and thereby impact the Company's revenue. ⑥ Rising carbon prices will drive industrial transformation or force the closure of high-emission industries, affecting bond market demand and consequently the Company's revenue.		
Assessment of Financial Impacts		
⑦ If national policies require the Company's greenhouse gas emission disclosure scope to include emissions of investment targets or service clients, the Company's overall greenhouse gas emissions will increase, leading to higher carbon fee payments. The estimated impact on operating costs may exceed NT\$70 million. ⑧ To address the Company's overall greenhouse gas emission status, budgets will be allocated to replace high-energy-consuming equipment and processes. The estimated additional cost is NT\$5 million per year. ⑨ With the imposition of carbon fees and stricter policies or regulations on emission reduction targets and obligations or energy conservation, the profitability of investment targets may decrease, consequently reducing the Company's overall revenue by approximately NT\$20 million. ⑩ The Company will implement internal carbon pricing management to assess all departments sharing responsibility for carbon fees.		

Transition Risk	Climate Risk	Risk Category
Policies and Regulations	Strengthening Emission Reporting Obligations	Operational Risk Reputation Risk
Actual and Potential Risks		
Short- and Medium-term Risks		
① In accordance with the Climate Change Response Act and related sub-laws, the disclosure scope of greenhouse gas emissions is required to include those of the Company's investment targets or cooperative clients. At the same time, carbon fees are levied based on the Company's declared greenhouse gas emissions, which may alter the financial expenditure structure of specific companies, resulting in changes to investment and financing returns or operational risks. ② Although the competent authorities have provided a buffer period for the collection, analysis, and disclosure of sustainability-related information, for enterprises, the impacts on current resources, technology, capabilities, and finances remain highly challenging.		
Long-term Risks		
③ To comply with Taiwan's 2050 Net-Zero Carbon Emission policy, the Company must continuously implement effective energy-saving and carbon-reduction measures to mitigate the impact on overall greenhouse gas emissions. ④ Strengthening emission reporting obligations will directly increase clients' operating costs, thereby indirectly affecting their investment willingness and financial management behavior.		
Assessment of Financial Impacts		
⑤ Due to the impacts of climate change and natural resource changes, flooding caused by extreme climate events has become more severe, leading to operational interruptions or equipment damage at business sites or investment targets, thereby increasing the Company's operating costs. ⑥ Natural disasters arising from extreme climate events may cause service interruptions among suppliers, indirectly affecting the Company's operations, reducing profitability, and potentially increasing default risks.		

Physical Risks	Climate Risk	Risk Category
Immediate	Increased severity of extreme weather events such as typhoons and floods (Continuous Monitoring)	Operational Risk Credit Risk Market Risk
Actual and Potential Risks		
Medium- and Long-term Risks		
① Changes in the overall economic environment caused by climate change and natural resource variations, or physical risk events leading to higher operating costs or reduced profitability of investment targets, may result in price fluctuations in the Company's investment positions. ② Natural disasters and environmental factors may affect suppliers, causing disruptions to electricity, internet, and other critical services, which in turn impact service delivery. ③ Extreme climate-induced events and natural resource changes may cause damage to business site buildings or equipment and result in personnel injuries, leading to operational interruptions.		
Assessment of Financial Impacts		
④ Due to the impacts of climate change and natural resource changes, flooding caused by extreme climate events has become more severe, leading to operational interruptions or equipment damage at business sites or investment targets, thereby increasing the Company's operating costs. ⑤ Natural disasters arising from extreme climate events may cause service interruptions among suppliers, indirectly affecting the Company's operations, reducing profitability, and potentially increasing default risks.		

Climate-Related Opportunity Matrix

Materiality Ranking of Climate-related Opportunity						Climate Opportunities	
Likelihood of Occurrence	5 Very High					① Recycling and reuse	
	4 High			④	① ③ ⑨	② Transition to more energy-efficient buildings	
	3 Medium		⑥ ⑧	⑤ ⑬ ⑮ ⑦ ⑱	⑪ ⑫ ⑭	③ Reduction of water usage and consumption	
	2 Low			⑩	⑦ ⑩	④ Use of low-carbon energy	
	1 Very Low	②				⑤ Adoption of incentive policies	
Materiality Assessment						⑥ Application of new technologies	
		1 Almost None	2 Low	3 Medium	4 High	5 Severe	⑦ Participation in carbon trading markets
							⑧ Transition to decentralized energy
							⑨ Development and/or expansion of low-carbon products and services
							⑩ Development of climate adaptation and insurance risk solutions
							⑪ Research, development, and innovation of new products and services
							⑫ Diversification of business activities
							⑬ Shifts in consumer preferences
							⑭ Entry into new markets
							⑮ Leveraging public sector incentive programs
							⑯ Access to new assets and regions requiring insurance coverage
							⑰ Participation in renewable energy projects and adoption of energy-saving measures
							⑱ Energy substitution/ diversification

Material Climate-related Risks and Opportunities
Issues identified as exceeding acceptable levels based on the assessment results.

Ongoing Monitoring
Continuous attention to previously identified risks and opportunities, along with the effectiveness of implementation measures.

TCFD

TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

Opportunity Category	Climate Risk
Resource Efficiency	Recycling and Reuse
Actual and Potential Opportunities	
Short-term Opportunities Reducing operating costs helps lower carbon emissions, contributes to environmental sustainability, and enhances the Company's overall image.	
Medium- and Long-term Opportunities ① Purchasing eco-labeled and recyclable products to promote circular economy practices. ② Continuously promoting energy-saving and carbon-reduction measures to mitigate the overall impact of greenhouse gas emissions by the Company.	
Assessment of Financial Impacts	
③ By implementing annual recycling and reuse activities for waste, the Company aims to reduce waste generation and achieve zero waste and a circular economy. These measures will contribute to reducing carbon emissions and carbon fee expenditures, while lowering operating costs (e.g., waste disposal fees of approximately NT\$160,000).	
④ Procurement requirements stipulate that suppliers must provide products that meet eco-friendly standards such as energy conservation and green building labels, or use recycled materials and low-pollution alternatives with equivalent performance but less environmental impact. In the long term, this helps reduce the Company's waste disposal and energy consumption.	

Opportunity Category	Climate Risk
Resource Efficiency	Reduction of water consumption and usage
Actual and Potential Opportunities	
Short-term Opportunities Reducing operating costs helps lower carbon emissions, contributes to environmental sustainability, and enhances the Company's overall image.	
Medium- and Long-term Opportunities Continuously promoting energy-saving and carbon-reduction measures to mitigate the overall impact of greenhouse gas emissions by the Company.	
Assessment of Financial Impacts	
Reducing water consumption will help lower carbon emissions and carbon fee expenditures, thereby decreasing operating costs (e.g., approximately NT\$210,000 in water fees).	

Opportunity Category	Climate Risk
Products/ Services	Development and/or expansion of low-carbon products and services (Continuous focus)
Actual and Potential Opportunities	
Short- and Medium-term Opportunities ① By enhancing operational efficiency through digitalization, the Company can reduce operating costs, mitigate the impact of climate change on its business and operating locations, and develop low-carbon service models in response to decarbonization trends, thereby creating opportunities to attract clients. ② With rising awareness of climate change, clients/consumers may shift their investment/consumption preferences toward environmentally friendly enterprises and away from high-carbon emission and energy-intensive securities investments.	
Long-term Opportunities Contributing to environmental sustainability while enhancing the Company's corporate image.	
Assessment of Financial Impacts	
③ In response to climate change, developing or providing products or services aligned with the low-carbon economy creates investment opportunities and diversifies income sources. ④ As clients/consumers' sustainability demands increase due to climate change, promoting related products or services will create new business opportunities while strengthening the Company's image as a sustainable enterprise.	

Opportunity Category	Climate Risk
Market	Entry into new markets
Actual and Potential Opportunities	
Short- and Medium-term Opportunities ① With the arrival of the low-carbon era, demand for capital in industries such as renewable energy, circular economy, and sustainable development is increasing. The Company can actively pursue advisory projects and provide financial support to these sectors to expand business opportunities. ② Incorporating climate change and corporate transformation assessments into investment strategies allows careful evaluation of investees' performance in corporate governance, environmental protection, and social responsibility, thereby enhancing investment returns. ③ Building a low-carbon and green energy investment portfolio to increase asset value. ④ With rising awareness of climate change, clients/consumers may shift their investment/consumption preferences toward environmentally friendly enterprises and away from high-carbon emission and energy-intensive securities investments. ⑤ Expanding the investment portfolio to include climate-related products and building low-carbon and green energy investment portfolios will help enhance asset value, capture market trends, and increase operational flexibility.	
Long-term Opportunities Formulating and advancing low-carbon investment policies to ensure the Company's business maintains its competitive edge in the evolving climate finance landscape.	
Assessment of Financial Impacts	
⑥ Developing new investment market opportunities will diversify income sources. ⑦ By capitalizing on new market opportunities, the Company can continue to develop green financial products centered on sustainable development to meet client and consumer demand for climate-conscious financial services. ⑧ Entering new markets or developing new business lines may yield higher profit potential but also involves market volatility and uncertainty, especially within the competitive low-carbon finance sector. ⑨ Revenue may decline in the short term; however, in the long run, necessary optimization or transformation of existing businesses will sustain market advantage and product diversity.	



4.1.3 Climate Strategy and Response



Based on the identification of climate-related risks and opportunities, the Company is committed to managing current and future transition and physical risks. Three major climate strategy dimensions and response measures have been developed:

Low-Carbon Economy

On October 7, 2024, the Company established the Directions for Stewardship and Sustainable Investment, which explicitly require that in the conduct of long-term proprietary investments, factors such as the six principles of responsible investment, national policies, guidelines for sustainable economic activities, climate change risks, and fiduciary responsibilities must be considered at every stage, including investment target evaluation, decision-making, and management.

Further details can be found in Section 4.2 Sustainable Investment Strategy of this Report and the Company's 2024 TCFD Report.

Low-Carbon Transition

In response to the low-carbon transition and the wave of digital finance, and in line with the mission of creating a more convenient and secure digital investment environment for investors, the Company has launched applications such as Capital Securities Capital Pay and Capital Securities e-Service Counter. These allow customers to complete various services online, including account opening, securities lending, stock borrowing and lending, Capital Pay settlements, regular stock investment, and domestic and overseas securities trading. This transformation replaces traditional complicated processes, simplifies fund settlement operations between securities firms and investors, reduces commuting-related carbon emissions, and decreases paper consumption, thereby helping to mitigate the greenhouse effect.

Looking ahead, the Company will continue to enhance operational efficiency through digitalization, reduce operating costs, and minimize the impact of climate change on its businesses and operational sites, thereby consistently promoting the concept of sustainable finance.

Key Achievements

As of December 31, 2024, downloads of Capital Securities Capital Pay and Capital Securities e-Service Counter had reached 449,300.

Capital Securities Capital Pay 2.0 was launched with a new version featuring faster eDDA verification technology and an optimized interface. The account-opening process can now be completed in about 11 to 25 minutes, setting an industry benchmark. Effective accounts totaled 282,000, with an aggregate balance of NT\$35.54 billion.

Environmental Sustainability

To slow down global warming and reduce energy and resource consumption, the Company has implemented the Regulations for Environmental Protection, continuously improving energy efficiency and carrying out energy-saving and carbon-reduction initiatives. These include planning overall emission reduction strategies to lower energy and resource use, helping reduce carbon emissions as well as carbon fees and operating costs, thereby minimizing environmental impact.

Additionally, using 2023 as the base year, and based on greenhouse gas inventory results and available resources, the Company has set greenhouse gas emission reduction targets and low-carbon action plans for Scope 1 and Scope 2 emissions from 2023 to 2030.

The Company continues to allocate budgets for high-energy-consuming equipment and operations, implementing replacement mechanisms and other energy-saving and carbon-reduction measures to lower overall greenhouse gas emissions. Verification agencies are also commissioned to provide assurance of the Company's greenhouse gas emissions.

Key Achievements

Replaced 63 laser multifunction printers with inkjet multifunction printers, resulting in approximately **80% energy savings.**



Low-Carbon Economy

— Integrating ESG Considerations into the Investment Process

- Development and/or increase of low-carbon products and services²
- Entry into new markets

- ① Carefully select investment and financing targets, support investments in net-zero carbon and green industries, set low-carbon investment goals, increase the proportion of assets allocated to green energy and sustainable industries, and adjust investment portfolios as needed. This includes increasing investments in net-zero carbon or green enterprises to diversify climate-related investment risks.
- ② Incorporate expected assessments of climate change and corporate transformation into investment strategies. When selecting investment targets, prudently evaluate whether companies fulfill corporate governance, environmental protection, and social responsibility, to enhance investment performance and strengthen engagement activities.
- ③ Continue identifying and managing climate risks through diversified investment portfolios from both financing and investment perspectives, referencing the PCAF methodology. This includes incorporating industry information affected by carbon emissions, conducting stress testing on carbon-exposed equity and bond positions, and disclosing investments in high-carbon industries. This facilitates the planning of investment caps, furthering carbon reduction goals and mitigating financial impacts arising from climate risk factors.
- ④ With the arrival of the low-carbon era, the demand for capital in green energy, circular economy, and sustainability-related industries is increasing. The Company actively seeks to undertake advisory cases and provide funding to related green energy industries to capture new business opportunities.
- ⑤ Seize new market opportunities by addressing clients' and consumers' growing concerns about climate change and preferences for green financial products and services. The Company continues to develop green financial products focused on sustainable development, such as actively participating as a broker and market maker in domestic sustainability-focused ETFs. Related products are introduced through wealth management and trust services to meet clients' sustainable investment needs. The Company also continues to issue, underwrite, and invest in sustainable bonds, including green, sustainability, and social responsibility bonds, thereby invigorating the sustainable bond market and supporting corporate sustainability transitions.
- ⑥ Promote existing sustainable products through multiple channels, continuously expand the scale of sustainable asset management, and actively direct capital toward ESG industries to support enterprises committed to sustainable operations.

²The Company has relatively low correlation with research and development investment areas associated with climate transition risks.

Low-Carbon Transition

— Ongoing Optimization of Digital Financial Services

- Development and/or increase of low-carbon products and services

- ① Continuously plan and optimize digital processes and service offerings.
- ② Enhance operational efficiency through digitalization, reduce operating costs, and minimize the impact of climate change on the Company's business and operational sites. At the same time, develop low-carbon service models aligned with carbon-reduction principles, creating opportunities to attract customers.

Environmental Sustainability

- Rising greenhouse gas emission pricing
- Strengthened emission reporting obligations
- Increasing severity of extreme weather events such as typhoons and floods
- Recycling and reuse
- Reduction in water usage and consumption

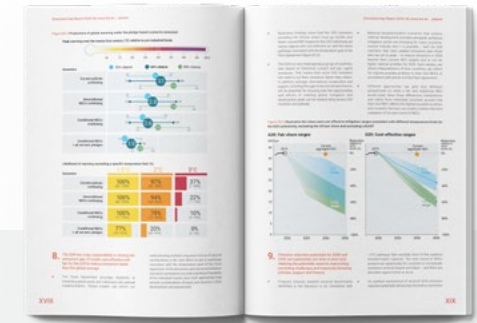
- ① Implement the Company's greenhouse gas management system to conduct GHG inventories, engage external assurance providers for limited assurance, and compile the overall GHG emissions status of the organization. Establish emission reduction targets and low-carbon action plans, review execution results regularly, and adjust as needed.
- ② Gradually shift investment focus toward low-carbon or low-emission industries, and prioritize enterprises that actively adopt carbon reduction measures or manage related risks, in order to mitigate the impact of rising carbon fees on the investment portfolio.
- ③ Regularly review overall energy consumption and GHG emissions results, gradually replace products with energy-saving eco-labels, set energy-saving periods to conserve electricity, promote source reduction by minimizing the use of disposable items, implement waste reduction measures, and reduce the use of non-recyclable waste. Continue to promote water-saving measures by installing or replacing water-saving equipment.
- ④ Require suppliers to provide products that meet environmental protection and energy-saving standards, green building material labels, or eco-friendly products that meet equivalent performance with lower environmental impact (e.g., recycled materials, low-pollution items). Procurement is primarily focused on environmentally certified green products and goods from sustainable enterprises, which in the long run can reduce the Company's waste treatment and energy consumption.
- ⑤ Conduct flood risk assessments for operational sites and Company assets. For sites with high flood risk, relocation will be planned progressively after lease expiration. Emergency response procedures for extreme weather events are also established.
- ⑥ Ensure the maintenance of the Business Continuity Management System (BCMS), conduct regular staff training on emergency response mechanisms, and obtain and maintain ISO 22301:2019 (BCMS) international certification.
- ⑦ To mitigate risks arising from climate change and natural resource variations—such as business interruptions at operational sites, depreciation of real estate assets, or increased repair costs, which could affect the Company's profits and losses—the Company will integrate climate risk factors into considerations when setting up new operational sites or making investments in real estate.

4.1.4 Scenario Analysis and Simulation

The Company, with reference to the scenario analysis information defined by the Intergovernmental Panel on Climate Change (IPCC) and the long-term scenarios for central banks and supervisors published by the Network for Greening the Financial System (NGFS) in November 2024, established climate-related scenario settings. To the extent possible, quantitative data were developed to review the appropriateness of the Company's climate strategies and risk management based on the analysis results. This approach enhances overall climate resilience and mitigates the impacts on the Company's operations, business development, and financial performance.

Explanations regarding transition risk scenarios and physical risk scenarios can be found in the Company's 2024 TCFD Report – Climate Scenario Analysis and Stress Testing section.

■ (1) Background of Climate Scenario Analysis



Emissions Gap Report 2024

On October 24, 2024, the United Nations Environment Programme (UNEP) released the Emissions Gap Report 2024, emphasizing that in order to keep global greenhouse gas emissions within the 1.5° C pathway, global emissions must be reduced by 42% by 2030. This highlights the seriousness and urgency of global warming. However, recent international developments show stagnation in the outcomes of international climate and environmental negotiations. For instance, while COP28 and COP29, under the framework of the 2015 Paris Agreement, reached significant agreements such as commitments to phase out fossil fuels and set carbon reduction timelines and targets, they fell short of providing concrete descriptions of how these goals would be achieved or firm commitments to reducing fossil fuel use.

In Taiwan, to achieve the 2050 net-zero emission goal, relevant laws such as the Climate Change Response Act and the Regulations Governing Greenhouse Gas Emission Inventories, Registration, and Verification have been successively revised, demonstrating strong legal support for carbon reduction objectives. However, the actual effectiveness of implementation remains uncertain. Considering the varying degrees of enforcement and timing of decarbonization policies across countries, although global issues have been identified and consensus gradually reached, the progress remains slow and related mechanisms are not yet fully mature.

■ (2)Climate Scenario Analysis Settings

■ (3)Analysis of Disaster Potential Risks and Disclosure of Financial Impacts

Taking into account Taiwan’s current policies and regulations, as well as global climate change response trends, the Company has established the following climate scenarios:

Risk Type	Description	Analysis Period	Climate Scenario
(1)Physical Risk	Disaster potential risks at business sites and investment positions	2030 2050	SSP3-7.0
(2)Physical Risk	Impacts of natural disasters on business continuity and operating revenue		SSP3-7.0
(3)Transition Risk	Changes in investment portfolio carbon emissions and comparative impacts of carbon fee expenditures on investment gains and losses		NGFS

The National Science and Technology Center for Disaster Reduction (NCDR) conducted disaster potential mapping in 2024 to analyze climate change–related disaster potentials at the Company’s operating sites. By comparing the locations of each site, the analysis assessed whether they are situated in high-risk areas and the types of disasters they may face. This provided an overview of the climate risks affecting the Company’s operating sites and investment positions, as well as an evaluation of potential impacts such as business interruptions, equipment damage, losses in owned properties, and investment losses.



Flood Hazard Scenario Map of Head Office and Branch Office

Source: Google Maps, Climate Change Disaster Risk Adaptation Platform (nat.gov.tw)
Note: Legend used: SSP3-7, short-term (2021–2040), township-level risk maps overlaid with the Company’s business office locations.

A	For flood, landslide, and large-scale collapse potential, locations “directly within the potential zones” are designated as high-risk areas. For soil liquefaction potential, “high-potential zones” are classified as high-risk areas.	
B	Based on the potential impacts of extreme rainfall caused by climate change, and under the IPCC AR6 high-emission scenario (SSP3-7.0), using a 24-hour rainfall probability of 500mm, the following findings were made:	• None of the Company’s operating sites are located within landslide or large-scale collapse potential zones. • In high-risk flood potential zones, owned assets account for 8.3% and non-owned assets account for 2.5%. Flood simulation maps show water depths of less than one meter. • In high-risk soil liquefaction zones, owned assets account for 33.3% and non-owned assets account for 20.0%. These areas may show visible signs of liquefaction, such as sand boils or significant subsidence.
C	Risk Response Strategies	• Since operating sites include both owned and non-owned assets, and no major disaster events have occurred in recent years, no direct asset impairments have been recorded. However, to prevent operational interruptions, the Company will continue to monitor high-risk areas using data from the NCDR website, and will establish appropriate contingency and backup mechanisms. • Although no risks such as “increasing severity of extreme weather events including typhoons and floods” or other significant extreme climate-related incidents have materialized in recent years, non-owned high-risk operating sites will be evaluated for relocation upon lease expiration. For owned operating sites, continuous monitoring will be conducted, and future establishment of new sites or real estate investments will incorporate disaster potential risk considerations. The Company also intends to integrate climate science–based forecasts into site selection decisions to enhance resilience against climate risks. • To reduce climate-related disaster risks at operating sites, the Company will gradually enhance disaster prevention measures at each site (e.g., inspections of drainage or flood protection facilities). In addition, internal awareness of disaster prevention will be strengthened, and regular emergency response drills will be conducted, thereby improving the Company’s climate resilience and mitigating risks from climate change–related disasters.

■ (4)Disaster Potential Risks of Investment Positions

Natural disasters worldwide are frequent and diverse. Although mortality rates are lower than in the past, economic losses have steadily increased, and disaster risks continue to rise, making disaster risk management an urgent priority. Among these natural disasters, most fall under hydro-meteorological categories, including extreme weather and climate events (typhoons, hurricanes, tropical cyclones, etc.), floods, and landslides. In recent years, Taiwan has experienced disasters caused by extreme heavy rainfall, resulting in casualties, property losses, and damage to infrastructure. Aside from heavy rainfall during the plum rain season and afternoon thunderstorms in the summer, typhoons remain the primary source of extreme heavy rainfall. Accordingly, under the influence of climate change, extreme climate events highlight that climate change is no longer a distant threat but an urgent challenge of the present.

A

Extreme Weather and Climate Disasters

(e.g., heavy rainfall, typhoons, etc.)

Taiwan is situated in the Pacific Ring of Fire and lies directly in the main path of typhoons in the Northwest Pacific region. According to World Bank reports, 73% of Taiwan’s land area and population are exposed to three or more types of natural disasters, while 99% are exposed to two or more types. Thus, Taiwan is considered a high-risk disaster-prone region globally. In terms of disaster types, typhoons account for 66% and floods/water-related disasters for 22%, showing that Taiwan’s primary disaster types mirror global trends, dominated by hydro-meteorological disasters (typhoons and floods).

Faced with the threats of climate change, the characteristics and risks of natural disasters may change and intensify in the future, particularly concentrated disasters caused by less frequent but more severe extreme weather and climate events. Although the probability of such events occurring is relatively low, their intensity often exceeds the thresholds of existing protective measures, making them highly destructive once they occur. Data collected from 25 observation stations across Taiwan over the past 50 years shows a slight upward trend in the “annual maximum daily rainfall,” one of the indicators of extreme rainfall, suggesting that extreme rainfall events may become more intense than in the past.

Based on the National Climate Change Scientific Report 2024 – Taiwan Climate Change Analysis and data from the National Science and Technology Center for Disaster Reduction (NCDR), “typhoon disasters” have been the most common disaster type in Taiwan over the past 60 years. Typhoons bringing extreme heavy rainfall have been a major driver of significant social and economic losses in Taiwan. On average, about five typhoons per year approach within 300 kilometers of Taiwan’s coastline, although the number varies widely each year—from as few as one or two to as many as nine or ten. With warming trends, future sea surface temperatures and typhoon moisture content are expected to increase significantly, leading to a higher proportion of typhoons with stronger precipitation capabilities. Considering only rainfall intensity, while the number of typhoons making landfall in Taiwan may decrease by the end of the 21st century, the proportion of severe typhoons will rise, with increased rainfall intensity and maximum wind speeds.

Based on past historical events, Taiwan has experienced a reduction in the number of typhoons generated in the Northwest Pacific due to La Niña phenomena. However, the locations of typhoon formation during the summer and autumn seasons tend to be closer to Taiwan. In the 2024 monsoon season, the Philippines was unusually struck by six consecutive typhoons, including one super typhoon, all of which brought record-breaking rainfall, resulting in widespread flooding across both urban and rural areas.

Considering that the Company has both owned and non-owned business sites located in high flood-potential risk areas, the potential financial impact of property losses was estimated by referencing the number of flooding incidents in those regions over the past five years (2020–2024). The average frequency of flooding was determined using data from the Ministry of the Interior’s Flood Information Application Subsystem.

	Owned Asset	Non-owned Asset
Business Site Location	Sanchong District, New Taipei City	Lingya District, Kaohsiung City
Estimated Property Loss (NTD)	\$502,000	\$2,239,724
Total	\$2,741,724	

³ (1) When the Mayor of Taipei City announces that all civil servants and public institutions in Taipei City are suspended from work for the entire day, the centralized trading market of the Taiwan Stock Exchange will be closed for the entire day, and all securities firms will suspend business operations for that day. (2) When the Mayor of Taipei City announces that all civil servants and public institutions in Taipei City are suspended from work in the morning, the centralized trading market of the Taiwan Stock Exchange will be closed for the entire day. (3) When the Mayor of Taipei City announces that all civil servants and public institutions in Taipei City are suspended from work in the afternoon, the centralized trading market of the Taiwan Stock Exchange will remain open; however, all post-closing transactions will be suspended.

In 2024, a total of 25 typhoons formed in the Northwest Pacific, of which four triggered typhoon warnings and three made landfall. In particular, Typhoons Kong-rey and Krathon struck Taiwan consecutively in October, leading to three days of stock market closure. This caused significant declines in securities transaction tax revenues and securities brokerage commission income. Referring to the Taiwan Stock Exchange's (TWSE) announced closure principles³, it is estimated that if the stock market is closed for an accumulated two days annually due to typhoons, the potential impact on the Company's Taiwan stock brokerage commission income would be as follows, based on the five-year average daily brokerage commission:

Daily Average (in millions of NTD)	2024	2023	2022	2021	2020
	13.14	9.57	8.91	16.20	9.18

※ Assuming a baseline of two trading days lost annually due to typhoon-related market closures, the Company's 2024 average reduction in brokerage commission income is estimated at NT\$ 26.28 million, representing approximately 0.55% of total annual brokerage commission income.

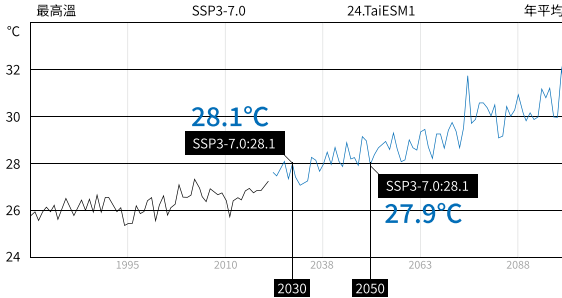
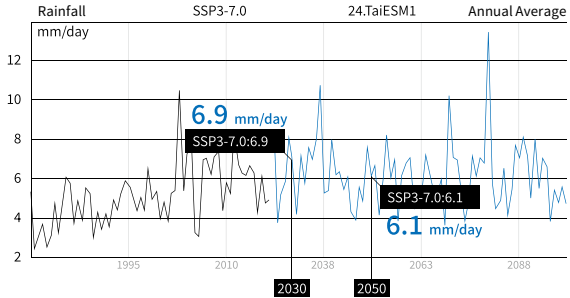
Although market closures by the TWSE due to natural disasters or property losses caused by flooding are uncontrollable factors, the Company has established the Emergency Response Guidelines for Operational Crises, which provide mechanisms for responding to major operational crises caused by significant physical disasters. These guidelines ensure that the Company can respond effectively during crises, mitigate losses, and swiftly resume normal operations.

B Drought

Several drought events have occurred throughout Taiwan's history, with reduced spring rainfall being the primary contributing factor. The 2021 drought⁴ was caused by a shortened plum rain season in 2020 and the absence of typhoons making landfall or passing near Taiwan during typhoon season. With limited rainfall during Taiwan's two most critical water collection periods in the west, reservoirs saw water levels drop significantly. Typically, spring rains from February to April help alleviate drought conditions; however, due to La Niña and other factors, the plum rain front shifted northward, leading to high temperatures and limited rainfall in May. Reservoir storage levels continued to decline with no hope of replenishment.

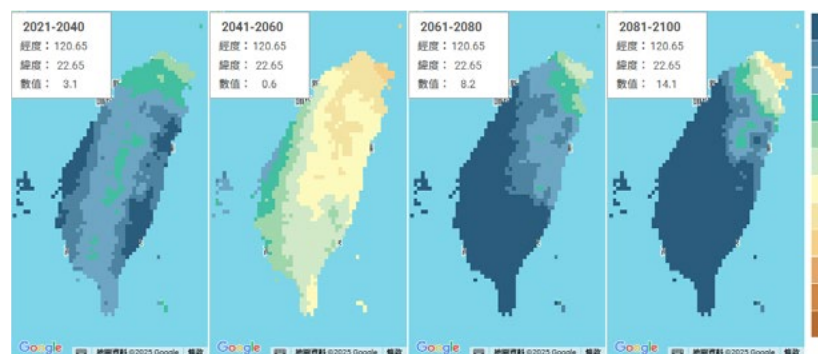
High temperatures also increased electricity demand, including demand for renewable energy sources such as hydropower and solar power. Taiwan's geography, with steep mountains and short, rapid rivers, makes water storage difficult. In recent years, climate change has further widened the gap between wet and dry seasons. Droughts have caused insufficient water supply, reducing hydropower output and making it difficult to provide backup electricity. With the decommissioning of Nuclear Power Plants No. 1⁵ and No. 2⁶, and the uncertainty of extending operations for Nuclear Power Plant No. 3⁷, the complete phase-out of nuclear power would significantly impact the stability and reliability of Taiwan's energy supply during drought periods.

⁴ Spring rainfall in 2021 was the lowest on record.
⁵ Nuclear Power Plant No. 1: Unit 1 was shut down on December 5, 2018 (1978–2018); Unit 2 was shut down on July 15, 2019 (1979–2019).
⁶ Nuclear Power Plant No. 2: Unit 1 was shut down on December 27, 2021 (1981–2021); Unit 2 was shut down on March 14, 2023 (1983–2023).
⁷ Nuclear Power Plant No. 3: Unit 1 was shut down on July 26, 2024 (1984–2024); Unit 2 is scheduled to shut down on May 17, 2025 (1985–2025).



⁸Taiwan Power Company implemented rolling blackouts twice on May 13 and May 17, 2021.

※With an average of one blackout day per year, the estimated brokerage commission shortfall during the 2024 summer peak period was NT\$14.48 million, representing 0.3% of total annual brokerage commission income.



Source: Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP)

In 2021, Taiwan suffered from one of the most severe droughts⁸ on record, indirectly resulting in rolling blackouts across the island. According to Taiwan Power Company's analysis of renewable energy:

Taiwan has abundant sunlight and favorable conditions for solar power generation. However, high installation costs, weather conditions at installation sites, and underdeveloped energy storage technology limit its reliability. Without mature storage systems, excess energy cannot be effectively stored for later use.

Strong northeast monsoons generate about 70% of annual wind power from January to March and October to December. In contrast, the summer months (April to June), which coincide with peak electricity demand, are when wind resources are at their weakest, making it difficult to meet peak demand.

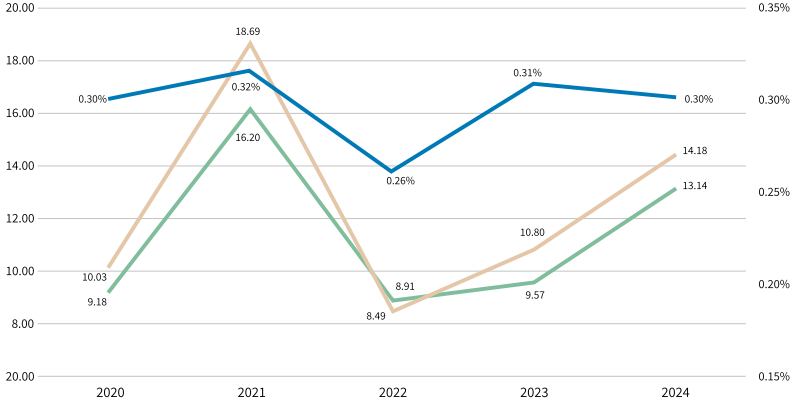
Extreme climate-related droughts can reduce energy supply, potentially causing business interruptions at operating sites. Under the IPCC AR6 high-emission scenario SSP3-7.0, the Company estimated the number of rolling blackouts during the summer peak period (May to September) and assessed the potential impact on brokerage commission income, calculated based on the five-year average daily brokerage commission. The analysis results, under the baseline assumption of one blackout day per year, are summarized in the table below, showing the proportion of annual brokerage commission income that may be affected:

	2024	2023	2022	2021	2020
Unit: NT\$ million	Brokerage Commission Fees				
Summer Peak Period(May to September) Average per Day	14.48	10.80	8.49	18.69	10.08
Annual Average per Day	13.14	9.57	8.91	16.20	9.18
Summer Peak Period(May to September) Average per Day / Percentage of Annual Revenue	0.30%	0.31%	0.26%	0.32%	0.30%
年平均單日*2/年總收占比	4,795.37	3,494.45	3,250.60	5,912.44	3,351.55
	0.55%	0.55%	0.55%	0.55%	0.55%

Although energy supply instability due to drought is unpredictable, the Company mitigates its impact through support between nearby branches and staff, enabling offsite operations or assisting clients with online trading. The Company also assesses the need for uninterruptible power supplies (UPS) and emergency response systems (such as backup generators) to minimize losses caused by trading suspensions.

Average Proportion of Daily Loss from Power Outage Handling Fees over the Past 5 Years

夏季尖峰時期
(5~9月) 單日平均
年平均單日
夏季尖峰時期
(5~9月) 單日平均 / 年總收佔比



C

Potential Climate Risk of Investment Positions: Changes in Carbon Emissions and Financial Impacts of Carbon Fees

In accordance with the parameters, models, methodologies, and results (profit and loss) jointly adopted by the Taiwan Securities Association (TSA) through the IAMs REMIND-MagPIE model—covering the “Orderly Transition–2050 Net-Zero Emissions,” “Disorderly Transition,” and “Hot House World (Current Policies)” scenarios—the Company analyzed its proprietary positions. The analysis was conducted using the methodology published by the Partnership for Carbon Accounting and Financials (PCAF), which provides calculation processes for assessing greenhouse gas (GHG) emissions across financial institutions’ investment and financing asset classes. Based on changes in the Company’s carbon emissions, the assessment compares the financial impact of carbon fee expenditures on investment positions:

	Scenario	Policy Target	Policy Response	Technological Change
Orderly Transition	Net Zero by 2050	1.5°C	Rapid and Smooth	Rapid
Disorderly Transition	Delayed Transition	1.8°C	Delayed	Accelerates after 2030
Runaway Global	Policy as Usual	Below 3°C	None (Policy as Usual)	Slow

Note: Climate scenarios set according to NGFS.

Item/Parameter	Orderly		Disorderly		Runaway Global Warming	
	Net Zero by 2050		Delayed Transition		Policy as Usual	
	2030	2050	2030	2050	2030	2050
Carbon Price (US\$/ton) (Provided by Securities Association)	152.4	708.8	5.95	279	5.95	8.75
Percentage Change in Carbon Emissions (NGFS 2024 Report)	-33.3%	-104.4%	-2.2%	-82.2%	-2.2%	-10.9%

※The scope of Category 3 GHG emissions in 2024 differed from the previous year, as subsidiary assessments were excluded while foreign securities positions were included. Limited assurance was obtained from certified public accountants.

Capital Securities Corp. Greenhouse Gas Emissions Analysis Table

Item	2022	2023	2024	Orderly Net Zero by 2050		Disorderly Delayed Transition		Runaway Global Warming Policy as Usual	
				2030Y	2050Y	2030Y	2050Y	2030Y	2050Y
Estimated Increase/ Decrease in Carbon Emissions				-33.33%	-104.40%	-2.22%	-82.22%	-2.22%	-10.88%
Carbon Price Parameter (US\$/ton) (Provided by Securities Association)				\$152.40	\$708.80	\$5.95	\$279.00	\$5.95	\$8.75
Direct Greenhouse Gas Emissions (Scope 1)	447.2400	357.2300	340.9056	227.2818	0	333.3375	60.6130	333.3375	303.8151
Indirect Greenhouse Gas Emissions (Scope 2)	5,034.0400	4,858.6271	4,816.6025	3,211.2289	0	4,709.6739	856.3919	4,709.6739	4,292.5561
Total	5,481.2800	5,215.8571	5,157.5080	3,438.5107	-	5,043.0114	917.0049	5,043.0114	4,596.3712
Estimated Carbon Price for Scopes 1 and 2 (US\$)				\$524,029	\$-	\$30,006	\$255,844	\$30,006	\$40,218
Greenhouse Gas Emission Intensity (tCO2e per NT\$ million revenue)	0.97	0.49	0.35	0.24	0	0.35	0.06	0.35	0.31
Scope 3 Category 15 Investment Carbon Emissions (Investment Positions) (tCO2e)		235,799.0526	209,490.0634	139,667.0253	0	204,839.3840	37,247.3333	204,839.3840	186,697.5445
Estimated Carbon Price for Investment Positions (US\$)				\$21,285,255	\$-	\$1,218,794	\$10,392,006	\$1,218,794	\$1,633,604

Unit: tCO₂e (per metric ton of carbon dioxide equivalent)

- The market value of investment positions fluctuates daily due to unpredictable factors such as political and economic developments, industry dynamics, regulatory changes, and corporate operations, resulting in market, credit, and liquidity risks. The Company regularly reviews its existing early-warning and stop-loss mechanisms, dynamically adjusts its investment strategies, and mitigates potential losses and exposures.
- The Company continues to diversify its investment portfolio to reduce the financial impacts arising from climate risk factors. Based on scenario analysis results, the Company redefines its risk appetite and asset risk pricing while strengthening investment risk monitoring related to climate risks.
- ESG evaluation procedures are integrated into the Company's investment and financing processes. Regular assessments include ESG scores, calculations of GHG emissions from investment positions, and reviews of ESG-related risks associated with investee companies, which serve as references for portfolio adjustments.
- The Company continually enhances its investment evaluation processes by tracking the latest ESG issues, trends, and sustainability performance of investee companies. By aligning with relevant policies and regulations, the Company ensures the professionalism and timeliness of its investment policies.
- ESG evaluations are incorporated into the risk management framework. Through risk assessments and controls, the Company tracks investee companies exhibiting significant ESG-related irregularities, promptly reviewing and evaluating corresponding investment strategies, investment limit adjustments, or remedial actions, to ensure investees' ESG performance meets targets and expectations.
- The Company continues to closely monitor investee companies and strengthen engagement activities.



4.1.5 Climate Risk Management

■ (1)Risk Management Framework

The Company has established a comprehensive risk management organizational structure, system, and management guidelines. Its risk management system provides a mechanism for identifying, measuring, monitoring, reporting, and responding to risks, forming an integrated risk management framework. Regular assessments are conducted across various risk dimensions to formulate appropriate response strategies. Among these, climate-related risks are identified as those arising from climate change and associated low-carbon transition challenges, which may create transition risks impacting the Company’s finance, strategy, operations, products, and reputation, as well as physical risks caused by extreme weather events that could affect the Company’s financial performance and operations.

Furthermore, in order to strengthen risk management and internal control, the Company adheres to the “Risk Management Best-Practice Principles for Securities Firms” and its own “Risk Management System.” This ensures that each unit, according to its specific responsibilities, functions clearly within the overall risk and control framework, thereby enhancing the management and coordination of climate-related risks and internal control operations.

The climate-related risk management organizational framework includes the Board of Directors, the Risk Management Committee, the Risk Management Department, executive management, and relevant climate risk units.

Through upward reporting, the Board and senior management are kept fully informed of the overall climate risk profile. Through downward communication, the objectives and policies of climate risk management are effectively implemented across responsible departments and staff. Cross-departmental collaboration further ensures that the entire Company works collectively to promote and execute climate risk control measures.

■ (2)Risk Management Process

According to Article 4 of the Company’s “Risk Management System,” the risk management process includes risk identification, risk measurement, risk monitoring, risk reporting, and risk response measures:

A.Risk Identification

Climate risk management must identify interconnections with other types of risks (such as credit risk, market risk, liquidity risk, and operational risk) and adopt differentiated management measures based on the severity or prioritization of identified or assessed climate-related risks.

B.Risk Measurement

Based on the identified climate-related risks, the Company establishes materiality assessments and scenario analyses to evaluate and disclose the potential financial impacts of physical and transition risks. The analysis considers impacts across financial, strategic, operational, product, and investment dimensions in the short, medium, and long term. Continuous monitoring of climate-related risk changes associated with investment targets is carried out as a basis for adjustments:

- Measure the impacts of physical and transition risks arising from climate change and formulate concrete response plans.
- Apply various methods and tools to measure climate-related risks, actively utilizing scenario analysis techniques.
- Monitor and report on climate risk exposures to ensure alignment with the Company’s defined risk appetite, with regular reporting to the Board of Directors and senior management.

C.Risk Monitoring

In line with the nature of operations, measurable and actionable climate-related risk and opportunity indicators and targets are established, and exposures and changes are monitored on a regular basis.



■ (3) Climate Risk Management

D. Risk Reporting

The Risk Management Department convenes monthly risk position meetings, where the Chairman, Vice Chairman, President, and business unit heads jointly review exposures and profit and loss situations case by case. Regular excess and exception management reports are presented to the Risk Management Committee. If losses approach the approved stop-loss limit in the operational plan, reports are submitted to the Board of Directors, and necessary response measures are taken.

Climate-related risks identified by each unit—including materiality, likelihood of occurrence, management measures, and performance outcomes—are consolidated into the “Climate Change Task Force” under the Integrity and Sustainable Development Committee. The Committee reviews discussions, formulates strategies, and determines risk management measures, confirming short-, medium-, and long-term plans, as well as performance evaluations.

Final results are reported to the Board of Directors to ensure effective supervision of climate change action strategies and risk management measures, thereby ensuring that material climate-related risk issues are effectively managed.

E. Risk Response

Following the assessment and consolidation of risks, the response measures adopted include:

- **Risk Avoidance:** Taking actions to avoid activities that may generate risks.
 - **Risk Reduction:** Implementing measures to reduce the impact and/or probability of risks occurring.
 - **Risk Sharing:** Transferring part or all of the risk to other parties.
 - **Risk Acceptance:** Taking no action to change the probability or impact of risks.
- For identified and measured climate-related risks, appropriate responses are implemented, including establishing low-carbon transition plans, engaging with investment targets, and adopting mitigation measures related to responsible investment and environmental sustainability.

During this year, the significant climate-related risks and opportunities identified internally were continuously evaluated through professional expertise, resources, personnel, practical experience, and market developments, combined with external expert analyses of trends. These efforts enabled the Company to dynamically reassess the impacts of climate risks and opportunities on operations and business, and adjust response measures accordingly.

A. Responsible Investment

To fulfill the responsibility of “Institutional Investor Stewardship,” the Company established the Directions for Stewardship and Sustainable Investment. Sustainable business performance is incorporated into considerations for proprietary long-term investments. In addition to evaluating the profitability and growth potential of investment targets, the Company also promotes the importance of ESG to its investees, thereby leveraging sustainable finance to foster the sound development of both the Company and its investee companies.

Further details are available in Section 4.2 Sustainable Investment Strategy of this Report, as well as in the Company’s 2024 TCFD Report.

B. Operational Risk Management

Operational resilience has become a key factor in the sustainable development of enterprises. The Company conducts annual business impact analyses and risk assessments to prepare for worst-case scenarios. In the event of physical environmental disasters affecting internal operations and employee safety, the Company strives to restore critical business functions within one hour to ensure continuity of operations.

The Company also conducts flood risk assessments for business sites and assets. Business sites identified as being in high flood-risk areas are evaluated for relocation or loss transfer through commercial insurance.

Furthermore, to mitigate risks associated with climate change and natural resource shifts—such as operational interruptions at business sites, declines in property values, or increased repair costs—the Company incorporates climate change risk factors into the planning of new business locations and investments in real estate.

Further details are available in Section 6.3 Demonstrating Resilient Services of this Report, as well as in the Company’s 2024 TCFD Report.



4.1.6 Indicators and Targets

In response to the challenges posed by climate-related risks and opportunities, the Company identified major climate risk and opportunity issues in 2024. Leveraging internal expertise, resources, and manpower, combined with practical experience, market developments, and insights from external experts, the Company conducted rolling assessments of business and operational impacts. Based on these results, the Company adjusted its climate risk management measures, such as reducing carbon emissions, improving energy use, and adjusting investment and financing business strategies.

Climate Risks and Opportunities	Indicators and Targets	Time Horizon	Implementation Status	Achievement Status
Low-Carbon Transition and Low-Carbon Economy	•Develop and/or increase low-carbon products and services		①Integrated app functions to replace traditional cumbersome processes, reduce commuting-related carbon emissions, and decrease paper consumption. As of December 31, 2024, Capital Securities Capital Pay and Capital Securities e-Service Counter downloads reached 449,300, helping to mitigate greenhouse effects and improve operational efficiency. ②Through integration of resources within Capital Financial Holdings, and collaboration with investment advisory and futures research teams, the Company provided online research resources, cultivating a high-quality digital financial services ecosystem. By integrating financial services with customer consumption scenarios, the Company enhanced customer satisfaction. ③The Company established the Guidelines for Stewardship and Sustainable Investment as its guiding framework. When conducting proprietary long-term investments, ESG issues are incorporated into investment analysis and decision-making processes. ④By maintaining a diversified investment portfolio, the Company identifies and manages climate risks from both investment and financing perspectives. With reference to the PCAF methodology, industry data impacted by carbon emissions and stress tests on equity and bond movements have been incorporated. The Company disclosed investments in high-carbon industries, planned investment limits, and reduced the financial impacts arising from climate risk factors.	 Completed and implemented
	•Enter new markets		①Developed green financial products centered on sustainable development, such as actively participating as a participating and market-making securities firm in domestic sustainability-themed exchange-traded funds (ETFs). Through wealth management and trust services, introduced related products to meet clients' sustainable investment needs. Continued issuing, underwriting, and investing in sustainable bonds, including green bonds, sustainability bonds, and social bonds, to vitalize the sustainable bond market and assist enterprises in their sustainable transition. ②Actively participated in or evaluated green and sustainability-related industries during underwriting mandates, underwriting advisory, and investment and financing processes. Regularly reviewed whether target companies disclosed and provided adequate ESG information, as well as any violations or penalties imposed by competent authorities, and monitored accordingly. ③Set low-carbon investment targets and increased the allocation ratio of assets in green energy and sustainable industries. ④Promoted existing sustainable products through diversified channels, continued expanding sustainable asset management scale, and actively directed funds toward ESG industries to support companies committed to sustainable operations. ⑤In 2024, the Company engaged with a total of 1,300 investee companies, with 3,619 instances of engagement.	 Completed and implemented
Environmental Sustainability	•Higher greenhouse gas emission pricing •Strengthened emission reporting obligations •Increasing severity of extreme weather events such as typhoons and floods		①Based on the 2022 inventory results and the Company's available resources, set Scope 1 and Scope 2 reduction targets and low-carbon action plans for 2023 to 2030. Using 2023 as the baseline year, the Company compares reduction results against the baseline annually. In 2031, reduction targets will be adjusted again according to actual performance. ②In this reporting year, Scope 1 and Scope 2 greenhouse gas emissions decreased by 1.12% compared to the baseline year, falling short of the annual performance target of 1.43%. ③The Company will continue to implement improvement and reduction measures in pursuit of achieving the set reduction target.	Not achieved
			①The 2024 low-carbon action plan included employee participation in low-carbon initiatives, energy-saving activities at business locations, replacement of high energy-consuming or outdated equipment, improved efficiency of company vehicles, and green procurement. ②In addition to promoting carbon reduction activities among employees, 63 outdated laser printers were replaced with inkjet printers, achieving approximately 80% energy savings.	 Achieved

Climate Risks and Opportunities	Indicators and Targets	Time Horizon	Implementation Status	Achievement Status
Environmental Sustainability	① Continuously assess the flooding potential and risks of real estate assets and business locations. ② Factor climate change risks into considerations when setting up business locations or investing in real estate assets. ③ Regularly train employees in emergency response mechanisms.		① Annual reviews of disaster potential analyses showed no immediate risks caused by extreme climate events. However, to reduce climate-related risks to business locations, the Company has taken out appropriate insurance coverage and is planning to gradually improve disaster prevention measures at business locations (such as drainage or flood-prevention facilities). ② This year, to enhance internal disaster prevention awareness, the Company held two fire safety and evacuation drills. ③ Maintained the operation of the Business Continuity Management System (BCMS), regularly trained employees in emergency response mechanisms, and ensured continued validity of ISO 22301:2019 (BCMS) certification.	 Completed and implemented
	① Include sustainability issues as part of supplier evaluation criteria. ② Require suppliers to provide product standards that meet eco-friendly and energy-saving specifications, Green Building Material labels, or other green product standards such as recycled materials or low-pollution products with equivalent performance but lower environmental impact.		The Company established/revised the “Supplier Management Regulations,” incorporating sustainability into supplier selection and evaluation criteria: ① Suppliers must complete the Supplier Human Rights and Environmental Sustainability Commitment Letter, which outlines requirements related to human rights policies, environmental sustainability policies, and codes of conduct. Suppliers are also required to conduct internal training and education on these measures. The commitment is considered part of the signed contract and holds equal binding effect. ② In line with these internal regulations, procurement items are prioritized to comply with green product labels and sustainability requirements.	 Completed and implemented
	Adjust investment focus to favor green energy industries, low-carbon and low-emission enterprises, or companies that actively manage and reduce relevant risks.		In 2024, the Company’s portfolio of green and sustainable bonds increased by 16.86% compared to 2023, accounting for 5.87% of the total bond portfolio. Investments in the green energy industry portfolio amounted to NT\$773 million, representing 1.83% of net assets, thereby gradually achieving the planned portfolio adjustment.	 Completed and implemented
• Recycling and reuse • Reduced water use and consumption	From 2023 to 2030, the waste reduction target is to gradually reduce waste annually, with a 7% reduction by 2030 compared to 2023.		① Waste in 2024 increased by 65% compared to 2023, failing to meet the annual reduction target of 1%. ② The general waste recycling rate in 2024 reached 61%.	Not achieved
	From 2023 to 2030, the water reduction target is to gradually reduce water consumption annually, with a 7% reduction by 2030 compared to 2023.		In 2024, average per capita water consumption increased by 0.8% compared to 2023, while total water consumption increased by 3.65%, failing to meet the annual reduction target of 1%.	Not achieved

⁹ Note: Short-term (2024) is defined as within 1 year, medium-term (2030) as 1–10 years, and long-term (2050) as more than 10 years.

In recent years, whether from the international United Nations Climate Change Conference of Parties (COP), the World Economic Forum (WEF) Global Risks Report listing the world’s ten most severe global risks, or Taiwan’s environmental policies such as the 2050 Net-Zero Emissions Pathway, the Climate Change Response Act and its sub-laws, and the Green and Transition Finance Action Plan, it is evident that environmental issues are receiving global attention, underscoring the urgency of the climate crisis.

The Company has identified the risks and opportunities brought by climate change, actively building climate strategies and risk management capabilities, and further planning a climate strategy blueprint. In alignment with international sustainability organizations and initiatives focusing on the trend of “transition finance,” the Company promotes development across three major strategic dimensions: Low-Carbon Economy, Low-Carbon Transition, and Environmental Sustainability. Corresponding measures are developed for material climate risks, with indicators and targets established as concrete standards for tracking and management. The execution status is regularly reported to the Integrity and Sustainable Development Committee, the Risk Management Committee, and the Board of Directors, thereby ensuring continuous management and monitoring of climate change impacts, timely adjustment of climate strategies and risk management measures, and enhancement of the Company’s operational resilience and risk response capabilities in addressing climate-related challenges.

Going forward, the Company will continue to strengthen climate-related risk management and associated mechanisms, while monitoring the latest developments in methodologies and tools for measuring climate risks. Through climate scenario analysis, the Company will assess the potential impacts of different climate scenarios on operations and finances, and use the results to establish corresponding strategies and action plans. This enables more precise assessment of the Company’s exposure to climate change and supports effective mitigation of negative impacts.

At the same time, the Company will seize the opportunities presented by climate change, leveraging its core financial functions to promote low-carbon transition and the development of green finance. By providing green financing products and services, the Company assists clients in their transformation and greenhouse gas reduction initiatives, thereby exerting the financial sector’s influence in jointly confronting climate change challenges. Through actions in multiple dimensions, the Company actively practices sustainable finance, contributes to the 2050 net-zero emissions target, and helps clients advance their decarbonization strategies, moving forward together on the path toward net zero.



4.2 Sustainable Investment Strategy

4.2.1 Sustainable Investment Management

Investment Principles	The six Principles for Responsible Investment (PRI), national policies (2050 Net-Zero Emissions Pathway, Sustainability Roadmap, and prevention of greenwashing), ESG, guidelines for sustainable economic activity identification, climate change risks, and stewardship responsibilities.
Prohibited Controversial Industries	The following are directly excluded, and no form of contact or investment is permitted: 1.Arms industry, gambling industry, tropical rainforest logging, tobacco industry. 2.Where there is concrete evidence of involvement in drugs, pornography, human trafficking and slavery, controversial weapons, use of internationally or nationally banned substances, activities severely harming local human and ecological systems, violations of local laws or international conventions, or being subject to international sanctions. 3.Entities designated by competent authorities as subjects of sanctions for anti-money laundering (AML), counter-terrorism financing (CTF), or counter-proliferation financing (CPF).
Investable Universe	The Company establishes screening rules based on ESG performance and outcomes, excluding prohibited industries, high-sensitivity investment targets, and high-carbon industries. Based on the industry, market, and the nature of their products, business, or activities, appropriate databases and domestic or international evaluation results are referenced to build the investable universe.
Others	During the investment decision-making process, the Company also references professional institutional screening indicators, including the Corporate Governance Evaluation System, Bloomberg ESG assessments, or the Taiwan Depository & Clearing Corporation (TDCC) Investor Relations (IR) platform, among others.
High-Sensitivity Investment Targets	Industries or entities with a significant ESG impact, including: 1.Forestry (excluding carbon sink industries), coal, mining, coal-fired power plants, wildlife leather, fur trading, dyeing and finishing industries, non-medical or harmful human genetic engineering, pesticide or environmental chemical manufacturing. 2.With concrete evidence of major violations within the past two years of environmental laws, labor, occupational health and safety, product/service safety and health, information security, privacy protection, or consumer protection laws. 3.With concrete evidence of violations within the past two years by the board of directors of laws, articles of incorporation, or shareholder resolutions, as well as incidents involving dishonesty, bribery, corruption, or fraud that have significantly affected shareholder or investor rights.
High-Carbon Industries	The Climate Change Group of the Integrity and Sustainable Development Committee conducts an annual review based on its calculation methodology, and issues a list along with investment ratio or amount limits.
Others	If financing provided to investors involves high energy-consuming or high GHG/carbon-emitting industry stocks as collateral, the Company evaluates and controls exposure amounts based on the progress of information disclosure transparency of such industries and related impacts, to reduce credit risk exposure.

To implement green finance, on October 7, 2024, the Company established the Directions for Stewardship and Sustainable Investment, which explicitly requires that in conducting proprietary long-term investment activities, considerations must be given at each stage—investment target evaluation, investment decision-making, and investment management. These considerations include the six Principles for Responsible Investment (PRI), national policies, guidelines for sustainable economic activity identification, climate change risks, and stewardship responsibilities.

In practice, ESG factors are integrated into the investment analysis and decision-making process to determine whether investment targets fall into **prohibited industries**, **high-sensitivity investment targets**, or **high-carbon industries**. Through screening rules based on ESG performance and outcomes, the Company selects investment targets and establishes an investable universe.

Furthermore, **high-sensitivity investment targets** and **high-carbon industries** are subject to review and approval by the Sustainable Finance Group and the Climate Change Group of the Integrity and Sustainable Development Committee, which then report to the Integrity and Sustainable Development Operation Office for application and subsequently submit to the Integrity and Sustainable Development Committee for record.

For those identified as **high-sensitivity investment targets** and **high-carbon industries**, investment decisions are, in principle, to avoid any contact or new investment. Existing investment positions are not to be increased. Careful consideration is given to the environmental and social practices of investment targets to avoid investing in companies involved in controversies, thereby reducing environmental or social risks, while allocating funds to support the development of sustainable enterprises. In this way, the Company engages in shareholder engagement activities with stakeholders to expand its influence in sustainable finance.

Finally, the Company regularly discloses on its official website and in the Sustainability Report relevant data on green finance, such as green bonds, sustainability bonds, underwriting revenue incorporating ESG factors, and loans/investments incorporating ESG factors. This disclosure promotes future opportunities for green finance and sustainable investment development in response to climate change.

4.2.2 Sustainable Investment Monitoring

After investments are made, the Company continues to monitor, analyze, and assess ESG-related information of its investment targets. The following details describe the implementation process to ensure effective monitoring, with results reported to the Integrity and Sustainable Development Committee and the Board of Directors.

A.

Continue monitoring, analyzing, and assessing relevant information on investment targets, and take appropriate stewardship actions, including attending shareholders’ meetings, formulating and exercising voting decisions, participating in investor conferences, conducting site visits, or holding meetings to evaluate whether the investment targets fulfill their sustainability responsibilities.

B.

Encourage investee companies to take necessary measures to mitigate actual and potential ESG-related negative risks. Where necessary, the Company engages with investee companies to promote ESG issue management and enhance the Company’s influence in sustainable finance.

C.

Review each investment target at least once every six months, and consolidate ESG-related investment execution results into reports submitted to the Integrity and Sustainable Development Committee and subsequently to the Board of Directors.

D.

Annually review the investable pool as well as exceptional investments in high-sensitivity targets and high-carbon industries to ensure alignment with investment-related principles. These reviews aim to promote ESG issue management among investment targets and enhance the Company’s sustainable finance influence. Results must be approved by the Integrity and Sustainable Development Operation Office before submission to the Integrity and Sustainable Development Committee.

E.

If any significant ESG irregularities are identified in an investment target, the Company must immediately evaluate relevant improvements or plans, determine whether to revise investment strategies or restrict investment amounts, and promptly convene relevant units for a meeting. ESG indicators for the investment target are also assessed. Meeting results are reviewed by the Integrity and Sustainable Development Operation Office and subsequently reported to the Integrity and Sustainable Development Committee.

The Company maintains communication and monitoring through regular and ad hoc company visits, teleconferences, seminars, participation in investor conferences, or attendance at shareholders’ meetings. These interactions with the management of investee companies allow the Company to understand their practices, verify the implementation of ESG-related actions, and confirm the appropriateness of their ESG information disclosure.

ESG Engagement Activities with Investee Companies in 2024

Method	Number of Engagements
Attendance at Shareholders’ Meetings	697
Site Visits (including advisory meetings)	400
Email Discussions	1,019
Phone/Video Conferences	1,094
Participation in Investor Conferences	409
Total Engagements	3,619
Total Companies Engaged	1,300



4.2.3 Underwriting Sustainability Assessment

For underwriting advisory services, the Company has established mechanisms such as the “Corporate Finance Department ESG (Environmental, Social, and Governance) Underwriting, Advisory, and Investment Sustainability Assessment Procedures” and the “Corporate Finance Department ESG Underwriting, Advisory, and Investment Sustainability Assessment Indicators Table.” In addition to complying with regulatory authorities and internal Company requirements, these mechanisms incorporate factors such as industry operations, business and financial conditions, corporate governance, compliance status, and ESG sustainability performance evaluation.

These requirements are applied across the stages of underwriting engagement, advisory, and investment/financing processes. The Company actively participates in or evaluates business opportunities in green and sustainability-related industries, regularly reviewing whether client companies under advisory properly disclose climate risks, carbon emission results, and related information, and whether they have violated or been penalized by regulatory authorities, with follow-up monitoring and prudent assessment.

A. Excluded industries: Businesses specified as sanctioned targets by authorities under the Money Laundering Control Act or Counter-Terrorism Financing Act, and controversial industries such as pornography, narcotics, and contraband.

B. Industries requiring enhanced due diligence: Includes petrochemicals, coal-fired power, high-pollution sectors, or companies involved in serious social controversies relating to human rights, environmental protection, or labor issues; companies with significant negative media coverage; or companies currently under judicial investigation, particularly if they cannot present concrete improvement measures.

Additionally, through Initial Public Offerings (IPOs) or Secondary Public Offerings (SPOs), the Company assists green enterprises in raising the funds necessary for operations and achieving corporate sustainability goals.

Underwriting Business (IPO, SPO) Engagement

Evaluation Period
During the Know Your Customer (KYC) process, the Company conducts interviews to understand the management’s ESG philosophy and implementation status, referencing ESG disclosure by professional institutions. This information is incorporated into risk assessments for engagement acceptance and investment screening.

Advisory Period
1. Assist clients in promoting and implementing ESG practices, monitoring whether clients have sustainability-related violations or penalties from regulators. If issues are found, the Company investigates and supports client improvement efforts. For severe or persistent failures to improve, the Company prudently evaluates whether to continue advisory services, actively managing sustainability-related risks.
2. Regularly review, monitor, and assist clients in their ESG promotion and implementation.

4.2.4 Sustainable Investment and Financing Overview

The Company regularly conducts investment industry distribution analysis to strengthen investment and financing decision-making and climate-related risk management mechanisms. It has set a target that by 2025, the exposure ratio of investments in high-carbon industries shall not exceed 30% of the total investment portfolio, with the limit to be gradually reduced year by year.

For 2024, only the top five high-carbon industry investment exposures are disclosed:

Exposure to Investments in High-Carbon Emission Industries

	Corporate Bonds	Convertible Bonds	Stocks	Foreign Currency Bonds	Overseas Stocks	Subtotal
1.Cement Industry	700,000	717,441	37,436	0	0	1,454,878
2.Oil, Electricity, and Gas Industry	3,060,000	102,560	(19,470)	1,279,802	0	4,422,892
3.Shipping Industry	250,000	400,877	577,878	0	0	1,228,754
4.Pulp and Paper Industry	0	0	786	0	0	786
5.Steel Industry	300,000	1,805,969	(156,712)	0	0	1,949,256
Total	4,310,000	3,026,847	439,917	1,279,802	0	9,056,565
% of Total Investment	25.23%	13.98%	5.96%	4.67%	0.00%	12.27%
Total Across All Industries	17,084,144	21,656,655	7,380,365	27,409,568	271,340	73,802,072

Note: Negative stock values represent short positions.

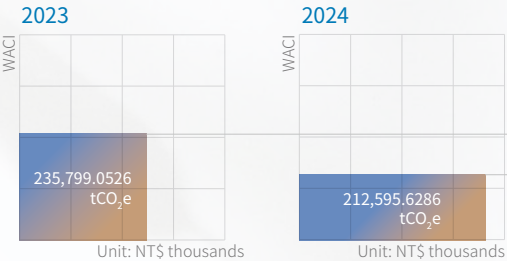
Unit: NT\$ thousands

The Company’s 2024 portfolio greenhouse gas emissions, calculated using the Partnership for Carbon Accounting Financials (PCAF) methodology, decreased by 26,308.99 metric tons of CO₂e compared to 2023, with carbon emission intensity reduced by 4.61 WACI.

To address climate change through portfolio management, the Company has set low-carbon investment goals and targets, supporting net-zero or green industries, increasing the asset allocation ratio to renewable energy and sustainability-related sectors, and appropriately adjusting portfolio holdings. This diversification into net-zero or green enterprises effectively reduces exposure to high-carbon industry risks.

^aThe scope of portfolio assessment covers Capital Securities Corp. excluding subsidiaries.

The Company has gradually improved its internal responsible investment management, including investment ratio or quota limits, management of high-risk or high-sensitivity industry lists, review procedures, post-investment management and engagement guidelines, and responsible investment target-setting. It will continue to adjust dynamically based on the implementation of these systems and results. Furthermore, by establishing portfolio carbon emission calculation methodologies, the Company seeks more comprehensive strategies to mitigate and adapt to climate change and sustainability-related financial risks across various asset classes.



Credit Transaction Exposure

As of December 31, 2024

Ranking by Carbon Emission Industries	High-Carbon Emission Industries	Financing Balance
1	Cement Industry	30,240
2	Oil, Electricity, and Gas Industry	40,263
3	Shipping Industry	625,578
4	Pulp and Paper Industry	29,059
5	Steel Industry	425,997
Total		1,151,137
% of Total Financing		5.20%
Total Across All Industries		22,138,344

Unit: NT\$ thousands

Exposure to Investments in High-Carbon Emission Industries

	2023 Position	2024 Position
1 Cement Industry	443,257	1,454,878
2 Oil, Electricity, and Gas Industry	3,699,599	4,422,892
3 Shipping Industry	1,184,502	1,228,754
4 Pulp and Paper Industry	25,593	786
5 Steel Industry	2,014,634	1,949,256
Total	7,367,585	9,056,565
% of Total Financing	9.98%	12.27%
Total Across All Industries	71,934,994	73,802,072

Unit: NT\$ thousands

Green & Sustainable Bonds

Bonds	Number of Issues	Position Amount	Number of Issues	Position Amount	Change in Position
	2023/12/31		2024/12/31		
Domestic Bonds	10	1,950,000	11	2,060,000	110,000
Foreign Bonds	6	488,083	5	789,092	301,009
Total	16	2,438,083	16	2,849,092	411,009
% of Total Bond Position		6.10%		5.87%	

Unit: NT\$ thousands

Note: Inventory investment positions as of December 31, 2024.

Scope 3 Category 15 Investment Carbon Emissions Intensity WACI

2023			2024	
Asset Class	Investment Position Amount (NT\$ thousands)	Scope 3 Category 15 Investment Carbon Emissions(tCO ₂ e)	Investment Position Amount (NT\$ thousands)	Scope 3 Category 15 Investment Carbon Emissions(tCO ₂ e)
Listed Stock	9,453,899.40	25,665.72	17,585,619.76	23,268.08
Corporate Bonds	49,597,206.07	210,133.33	59,551,528.12	171,166.91
Unlisted Stock	Not included	Not included	9,115,031.00	15,055.07
Total	59,051,105.46	235,799.0526	86,252,178.89	209,490.0634
Scope 3 Category 15 Investment Carbon Emissions Intensity (WACI): tCO ₂ e per NT\$ million revenue		18.50	14.34	

Currency: New Taiwan Dollars (NTD)

Note: Scope 3 calculation is based on the “Practical Handbook for Portfolio Financial Carbon Emissions (Scope 3) of Taiwan Securities Industry,” published by the Taiwan Securities Association in September 2024.



Green Strategy Core

In response to the national net-zero emission policy, Capital Securities Corp. leverages its influence in the securities industry by actively conducting greenhouse gas inventory and verification. Based on the results, the Company formulates energy-saving and carbon-reduction strategies and action plans, rigorously supervises their implementation progress, and identifies and responds to related impact activities.

Energy use intensity
increase/decrease ratio
compared to previous year

▼ 28.72%

Greenhouse gas emission intensity
increase/decrease ratio compared
to previous year

▼ 28.25%

Violations of
environmental
laws or regulations

0

“Love the Earth”
Plastic Reduction Counter

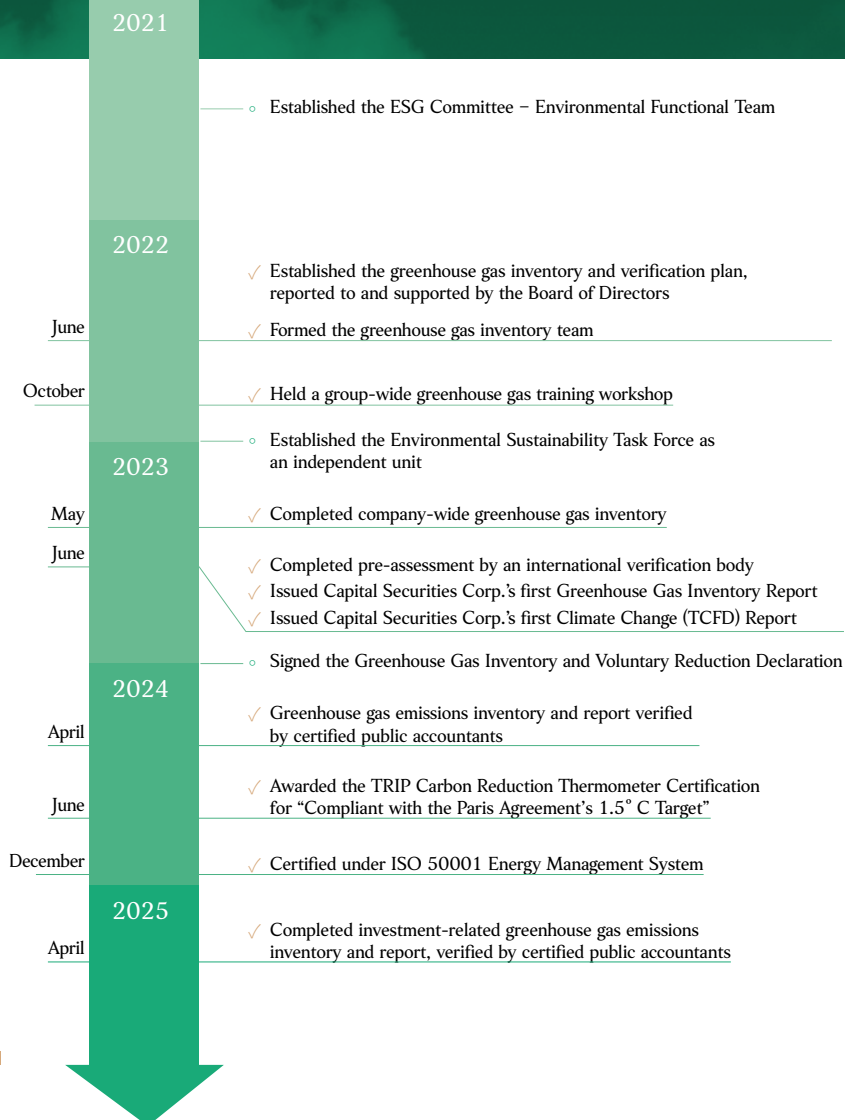
Reduced 523,922 PET bottles

Green procurement
amount

NT\$ 68,460,413

Greenhouse gas assurance

Completed assurance



5.1 Green Operations Pathway

With the goal of becoming a securities firm that practices sustainable governance and green operations, the Company has fully aligned its internal environmental protection control mechanisms with international standards such as ISO 50001 Energy Management System and ISO 14064-1 Greenhouse Gas Inventory. By adopting the Plan-Do-Check-Act (PDCA) cycle methodology for environmental management, the Company ensures that the environmental management system functions effectively and continues to improve. At the same time, the Company has publicly announced its Greenhouse Gas Inventory and Voluntary Reduction Declaration, demonstrating its determination to implement a comprehensive green strategy.

群益金鼎證券股份有限公司 溫室氣體盤查與自願減量 宣 言

我們深知地球的氣候與環境，正因溫室氣體的影響持續惡化，群益金鼎證券作為地球公民之一份子應善盡企業責任，及因應聯合國氣候變化綱要公約與巴黎協定等相關之國際規範，自此將致力於本公司溫室氣體排放基礎盤查工作，以利確實掌控及管理溫室氣體排放現況，並依據盤查結果推動溫室氣體自願減量相關計畫。

群益金鼎證券股份有限公司
總經理：李文柱

5.1.1 Environmental Management Governance Structure

The environmental management system establishes a hierarchical governance structure. At the top level, the Board of Directors serves as the highest supervisory body. Beneath it, the Integrity and Sustainable Development Committee is responsible for policy-making and setting performance targets. The Integrity and Sustainable Operation Office acts as the executive unit, responsible for daily promotion and regular progress tracking. The Environmental Sustainability Task Force and the Management Department are specifically tasked with formulating green operations and net-zero transition plans and action programs, which are then implemented collaboratively across departments with ongoing improvements.



5.1.2 Environmental Management Promotion Measures

Management Stage	Governance Action	Detailed Description
Plan	Policy and Target Setting	- Established the Greenhouse Gas Inventory and Voluntary Reduction Declaration, Greenhouse Gas Management Policy, and Energy Management Policy. - Formulated green operations and net-zero transition plans and action programs, setting short-, medium-, and long-term performance targets for energy, water resources, waste, green procurement, and greenhouse gas emissions.
Do	System Implementation and Inventory	In accordance with ISO 50001 Energy Management System and ISO 14064-1 Greenhouse Gas Inventory standards, the Company implements energy and greenhouse gas management. Regular annual inventories are conducted, along with the promotion of various environmental management measures such as energy saving, water conservation, waste reduction, and green procurement, to reduce internal emissions.
Check	Audit and Verification Management	- Conducts annual internal verifications or audits to examine environmental management measures, progress toward energy and greenhouse gas performance targets, implementation of energy-saving and carbon-reduction measures, and the accuracy, completeness, and effectiveness of inventory data management, ensuring that overall green operations meet short-, medium-, and long-term performance targets and maintain a mechanism of continuous improvement. - Annual third-party independent verifications are also conducted to incorporate external perspectives and practical experience for continuous improvement recommendations.
Act	Continuous Enhancement	At least once per quarter, the Company reports inventory results, progress toward performance targets, internal verification or audit results, corrective and preventive measures, as well as issue trends and best practices, sequentially up to the Board of Directors. These reviews are used to refine green operations and net-zero transition plans and action programs, adjust management policies and performance targets, and, where necessary, allocate additional resources and manpower to strengthen management measures.

5.1.3 Implementation Results and International Verification

In actively promoting green operations and net-zero transition plans and actions, the Company has recently achieved implementation results that directly respond to the government's "Green Finance Action Plan" and the national 2025 Net-Zero Emission Policy. These achievements, combined with verification or assurance from independent third-party organizations, enhance the credibility of execution and improve transparency in information disclosure:

TRIPs Corporate Carbon Reduction Thermometer

1.5° C
Temperature Control Target

CommonWealth Magazine assessed the Company's proactive and passive information disclosure and calculated the level of its carbon reduction ambition, rating the Company as "Outstanding Performance."

ISO 50001 Energy Management System

By establishing an energy management system in accordance with ISO 50001, the Company successfully passed certification by the British Standards Institution (BSI) and obtained the ISO 50001 international certificate.

ISO 14064-1 Greenhouse Gas Inventory

In 2024, the Company commissioned KPMG Taiwan to perform assurance of its greenhouse gas emissions inventory. In addition to Scope 1 and Scope 2, the assurance also covered Scope 4 (emissions from goods or services purchased by the organization), emissions from waste disposal generated by company operations, and Scope 5 (emissions from investments). The limited assurance was successfully completed on April 8, 2025. Please refer to Appendix 3 "Greenhouse Gas Assurance Statement" and the "2024 Greenhouse Gas Emissions Inventory Details."

Through a comprehensive Environmental Protection management framework as well as green operation and net-zero transition plans and actions, the Company continues to deepen its sustainable governance and green operation strategies, strengthen the effectiveness of greenhouse gas management, and integrate digital technology applications to enhance management measures. This enables the Company to build a more resilient management system, steadily advancing toward fulfilling its sustainable development responsibilities and the national net-zero transition policy goals.



5.2 Resource Management Dynamics

5.2.1 Energy Management and Energy-Saving Measures

Implementation of Energy Management

The Company has introduced the ISO 50001 Energy Management System, establishing an energy management policy based on the environmental management framework. Through regular energy audits, target-setting, action plan implementation, and performance reviews, the Company practices the international P-D-C-A (Plan-Do-Check-Act) management methodology, improving its energy management system, effectively managing energy use, promoting greenhouse gas reduction, and lowering operating costs.

The overall energy management goals, resolved by the Board of Directors and the Integrity and Sustainable Development Committee, are as follows:

The Company's energy consumption primarily comes from purchased electricity used in financial service operations at various business locations, with smaller amounts from gasoline and diesel consumed by company vehicles and emergency generators.

- Scope of Audit:
All Company business locations in Taiwan.
- Baseline Year: 2023.

In 2024, the Company's total energy consumption decreased by 1.79% compared to 2023, exceeding the annual reduction target of 1.43%. However, due to significant growth in business scale and workforce, the overall reduction in energy intensity was limited, with energy intensity decreasing by only 28.72% compared to 2023, after offsetting increased energy use from expanded operations with implemented energy-saving measures.

2023 Baseline Year	2024 Target Reduce energy consumption by 1.43% compared with baseline year	2025 Short-term Target Reduce energy consumption by 2.86% compared with baseline year	2028 Medium-term Target Reduce energy consumption by 7.15% compared with baseline year	2030 Long-term Target Reduce energy consumption by 10% compared with baseline year
-----------------------	--	---	--	--

Annual Energy Consumption Analysis Table

	2022	2023	2024	Units
Purchased Electricity	9,890,058	9,815,408	9,750,207.4	kWh
Diesel	4,982	2,222	2,099.9	Liters
Gasoline	12,527	12,428	11,749.9	Liters
Energy Consumption	36,171.59	35,801.88	35,159.89	Gigajoules (GJ)
Energy Intensity	6.41	3.38	2.40	GJ per million NTD revenue
Year-on-Year Change in Energy Intensity	-	-47.33%	-28.72%	

Note 1: Energy intensity is calculated using operating revenue (million NTD) as the denominator.

Note 2: Energy consumption is converted based on the Energy Administration, MOEA, 2023 Energy Statistics Manual – Energy Product Unit Heat Value Table and Ministry of Environment announcement of “2024 Heat Values for Automotive Gasoline and Diesel.” Conversion rates: Electricity – 860 kcal/kWh, Diesel – 8,642 kcal/L, Gasoline – 7,609 kcal/L.



Promotion of Energy-Saving Measures

During the year, through the ISO 50001 Energy Management System, the Company strengthened its management methodologies, tools, and performance targets to monitor energy use and identify improvement opportunities, continuously assessing the effectiveness of energy-saving measures. Additionally, resources and personnel were allocated annually to implement case-specific energy-saving initiatives. The key measures executed this year are as follows:

Energy-Saving Management Equipment and Measures



Equipment Management and Replacement

Regular maintenance of energy-saving equipment
Extend equipment lifespan and improve operational efficiency through periodic cleaning and maintenance.



Lighting Optimization

Full adoption of high-efficiency LED lighting
Reduce electricity consumption for lighting.



Outdoor Signboard Power Management

Branch advertisement signboards automatically shut off after midnight
Prevent unnecessary power consumption.



Air Conditioning System Energy-Saving Management

Control of office doors and windows
Ensure windows and doors in air-conditioned areas are kept closed to minimize cooling loss.
Central chiller and indoor temperature control
Increase chilled water outlet and temperature by 1° C; maintain air conditioning setting at 26° C.
Installation of small-scale chillers
Use smaller chillers during off-peak hours to enhance energy efficiency.



Printer Management

Replacement of old printers
Gradual replacement with low-energy inkjet printers that require no heating, reducing printing power consumption by over 80%. It is estimated that each unit saves 967 kWh (3.48 GJ), reducing 0.48 tCO₂e (Scope 2) compared with the previous year (baseline).
In 2024, a total of 63 units were replaced, estimated to save 60,921 kWh (219.24 GJ), reducing 30.09 tCO₂e (Scope 2).
Activation of energy-saving modes
Reduce standby power consumption and component wear.



Company Vehicle Management

Improve usage efficiency
Encourage carpooling, use of public transportation, and regular inspection and maintenance.

Energy-Saving Culture Development



Reduce elevator use

Encourage employees to take the stairs instead of using elevators.



Daily energy-saving behaviors

Promote habits such as turning off lights and air conditioners when not in use.



Regional responsibility management

Assign departmental responsibility for ensuring power is turned off after work and during holidays.



Awareness campaigns and training

Organize events or send email reminders to promote energy-saving concepts.



Energy management training

Conduct seed training sessions on energy management to enhance employees' environmental literacy.



Low-carbon initiatives promotion

Promote participation in activities such as Earth Hour, energy-saving walking challenges, paperless meetings, and competitions to increase employee engagement and recognition.

The Company continues to strengthen energy management and energy-saving practices at its business sites. Following the principles of energy conservation, carbon reduction, and efficiency enhancement, the Company adopts a variety of approaches including management systems, equipment replacement, behavioral optimization, and data monitoring to ensure the effective use of energy resources, thereby creating a green and low-carbon office environment.

Note: 1 kWh = 3,600,000 joules (J); 1 gigajoule (GJ) = 1,000,000,000 J; The electricity emission factor is based on the Energy Administration, MOEA's 2023 published electricity emission factor of 0.494 kgCO₂e/kWh.

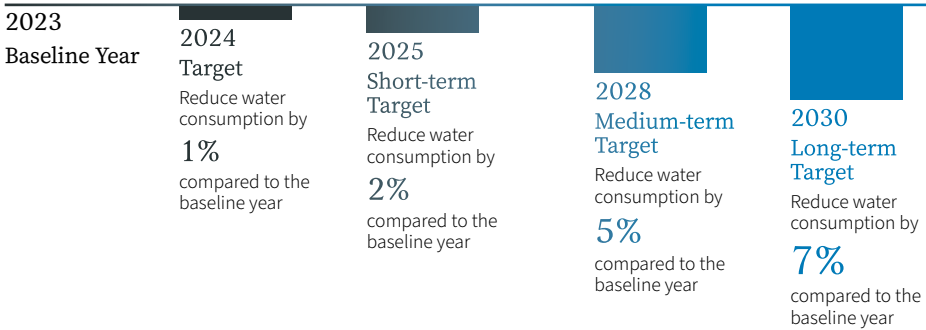
5.2.2 Sustainable Use of Water Resources

Facing the challenges of global climate change and the heightened risks associated with water resources—particularly given Taiwan’s geographical and rainfall patterns—the Company prioritizes water resource management as a key focus of green operations. Through regular audits, optimization of water-saving equipment, and employee behavior management, the Company is committed to controlling overall water consumption at its business sites, strengthening water risk management, and achieving sustainable water use goals.

Water Resource Management System and Targets

As part of its green operations and net-zero transition plan, the Company has established a water management system with reference to ISO 14001 Environmental Management System. The system has been progressively improved, with specific water management targets approved by the Board of Directors and the Integrity and Sustainable Development Committee, as shown below:

The Company monitors water usage and total consumption on a regular basis. No significant water-related impacts or major water-use/wastewater discharge incidents occurred this year, as described below:



- 1. All business sites in Taiwan source 100% of their water from Taiwan Water Corporation and Taipei Water Department. No groundwater or other water sources are used.
- 2. Wastewater consists solely of domestic sewage from drinking water, air conditioning systems, and cleaning, used by employees and customers. After use, the wastewater is legally discharged into sewage systems or regional drainage facilities, in compliance with domestic wastewater discharge standards.
- 3. In 2024, total water consumption increased by 3.65% compared to the baseline year, failing to meet the annual reduction target of 1%. The increase was mainly due to a 37.78% growth in operating revenue, which offset the effects of water-saving measures.

Water Consumption Analysis Table	Year	2022	2023	2024	Unit
Total Water Consumption (Tap Water)		52,374	52,422	54,336	cubic meters (m³)
Increase/Decrease Compared to Previous Year		-	+0.092%	+3.65%	
Total Organization Headcount		1,876	1,910	1,963	
Average Water Consumption per Person		27.93	27.45	27.68	m³/Person

Note 1: Rounded to two decimal places.
Note 2: Data source: water bills and building allocation sheets.

Water-Saving Equipment and Management Measures

System Management and Facilities

Management Aspect	Implementation Measures	Description
Water Usage Audit Management	Annual audit	Conduct an annual audit of water consumption at all business sites to monitor usage trends and identify abnormalities.
Equipment Maintenance Management	Regular maintenance and improvement	•Regular inspections of water-use equipment to prevent abnormal water usage. •Replace outdated equipment with water-saving certified devices to enhance efficiency. •Evaluate the introduction of monitoring equipment in the future for precise water-use management.
Building Property Cooperation Management	Water resource maintenance cooperation	Collaborate with property management units of office buildings to strengthen water resource maintenance and facility management in public areas, jointly implementing water-saving initiatives.

Water Resource Advocacy and Promotion

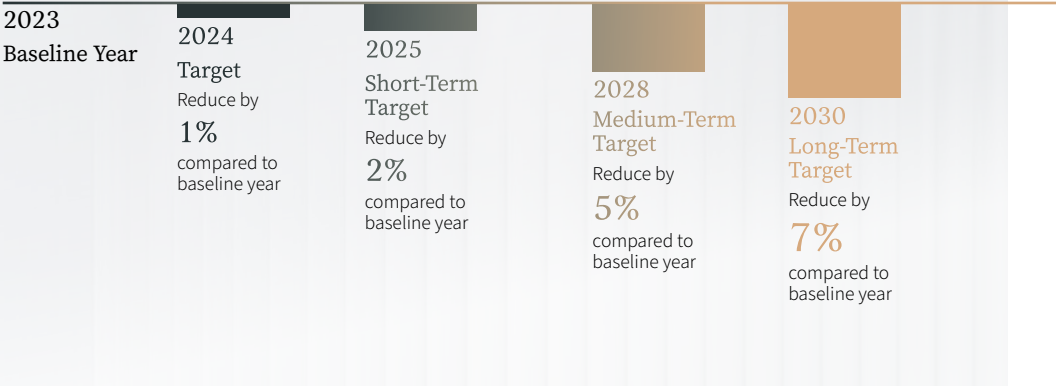
Management Aspect	Implementation Measures	Description
Water-Saving Culture Promotion	Environmental education and training	Incorporate water-saving practices into employee environmental education programs to reinforce awareness.
Behavioral Management Promotion	Environmental slogans and reminders	Display water-saving signs in offices, such as in pantries and restrooms, to remind employees to practice water conservation.
Supplier Water-Saving Management	Contract and standard management	Extend water-saving management requirements to supplier sustainability clauses, encouraging joint efforts in water conservation and environmental protection.

Through institutionalized water resource management and water-saving initiatives, the Company will continue to optimize operational water-use efficiency, strengthen sustainable water resilience, and fulfill its commitment to corporate water resource sustainability with a spirit of responsible environmental governance.

5.2.3 Waste Management and Circular Economy

Waste Management System and Targets

In alignment with the Company’s Green Operations and Net-Zero Transition Plan and Action Programs, and by referencing the ISO 14001 Environmental Management System, the Company adheres to principles of resource recycling and waste reduction. Efforts are continuously made to strengthen waste management throughout operations by integrating internal management systems, recycling measures, and employee behavior education, thereby fulfilling environmental protection responsibilities and advancing circular economy goals. Based on resolutions passed by the Board of Directors and the Integrity and Sustainable Development Committee, specific waste management targets were set as follows:



As a financial services company, the Company’s waste is primarily general household waste. By strictly enforcing waste source reduction and resource recycling classification strategies, employees are required to separate general waste from recyclable waste. General waste is transported by local property management companies or licensed waste disposal firms to incineration plants, while recyclables are handled by certified recycling vendors.

To ensure accuracy and completeness of waste statistics in line with greenhouse gas (GHG) inventory procedures, the Company conducts regular measurements of waste generated across all business sites in Taiwan. The types and data are summarized in the table below. In 2024, the volume of waste increased by 64.62% compared with the baseline year. Even after excluding newly added recyclable items for the year—such as paper, bottles/cans, and batteries—waste volume still increased by 27% compared with the baseline year. This shortfall against the annual reduction target of 1% was mainly due to growth in the Company’s business scale and headcount, as well as the inclusion of additional waste measurement categories, which offset the effects of source reduction initiatives.

Waste Analysis Table

Category	Items	Treatment Method	2022	2023	2024
Non-recyclable	General waste	Incineration	67.4838	60.5561	64.3635
	Confidential documents	Hydrolysis	39.57	40.85	64.57
Recyclable	Bottles/cans	Recycling	-	-	5.7649
	Paper	Recycling	-	-	32.2337
	Batteries	Recycling	-	-	0.003
Waste Volume			107.0538	101.4061	166.9351
Year-on-Year % Change			-	-5.3%	64.62%
Recycling Rate			37%	40%	61%
Total Employees (Taiwan)			1,876	1,910	1,963
Average Waste per Person (kg/person)			57.0649	53.0921	85.0408
Note 1: Recyclable items such as bottles/cans, paper, and batteries were newly added in 2024.					Unit: Metric tons
Note 2: Figures are rounded to four decimal places.					

Proactive Promotion of Circular Economy

The Company will continue to focus on data-driven resource management, cultivating a culture of waste reduction, and implementing innovative circular economy initiatives as core management principles, thereby advancing green operations and responsible consumption in the financial services sector.

Management Aspect	Implementation Measures	Description
Waste Paper Recycling and Reproduction	Recycled into Eco-Friendly Tissue Paper	Outsourced to certified recyclers to convert recovered paper into eco-friendly tissue paper for reuse at various business sites, realizing resource circulation.
Shared Resources Platform	Maximizing Resource Utilization	• Encourage the collection of second-hand equipment or consumables to implement material reuse and reduce resource waste. • Internally promote the reuse of small items, such as paper clips and binder clips, by setting up designated recycling and reuse areas in common spaces, encouraging employees to share resources, reduce consumable purchases, and maximize resource utilization.
Enhanced Waste Classification	Expansion of Detailed Classification Management	Strengthen detailed waste classification management at business sites to promote source reduction strategies.
Strengthening Green Procurement Standards	Procurement of Eco-Friendly Products	Prioritize the purchase of products made from recycled materials or those with eco-label certifications.
Employee Environmental Education	Plastic Reduction and Recycling Training	Regularly conduct employee training sessions on plastic reduction and recycling to strengthen environmental awareness.

Recycling Waste Paper into Eco-Friendly Tissue Paper

— Realizing the Vision of a Circular Economy



Upholding the concept of “Resource Circulation, Zero Waste,” Capital Securities Corp. collaborates with recycling vendors and paper manufacturers to promote innovative waste paper recycling initiatives. Discarded paper is dissolved, pulped, and regenerated into eco-friendly tissue paper, thereby achieving resource reuse.

In 2024, the initiative successfully recycled 64.57 metric tons of waste paper, reducing 374,506 tCO₂e, equivalent to saving approximately 1,291 trees (based on an average carbon reduction of 5.8 tCO₂e per metric ton of recycled paper). Through transparent inventory processes and circular economy practices, the Company demonstrates that the financial industry can also practice environmental stewardship in daily operations.

World Environment Day

— Expansion of Office Resource Recycling Initiatives



In response to World Environment Day, Capital Securities Corp. expanded office waste recycling programs in 2024 to include special waste categories such as CDs and batteries. By integrating sustainability concepts into Dragon Boat Festival activities, the Company promoted values of resource conservation and ecological protection.

Additionally, the Company procured and distributed locally produced herbal sachets from small farmers in Taiwan, showcasing its commitment to supporting local production and environmentally friendly sustainable development.



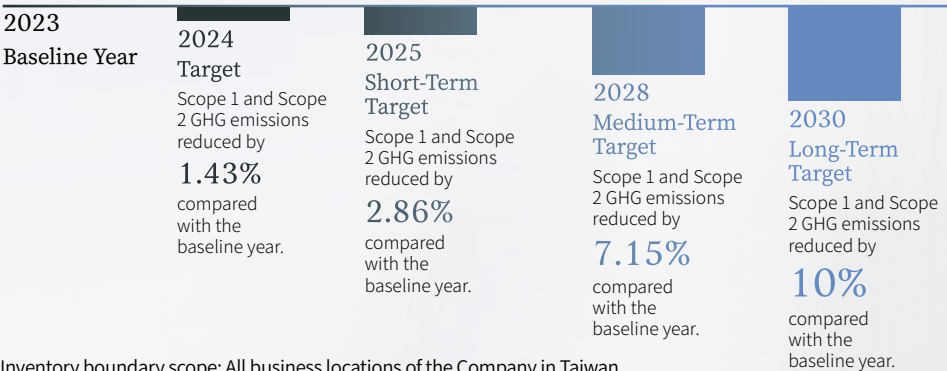
5.3 Net Zero Pathway and Targets

5.3.1 Greenhouse Gas Management Outcomes

In light of climate change and climate action, and aligned with the national 2050 Net Zero Emissions Strategy, while also considering the characteristics of the financial services industry, the Company—upon resolution of the Board of Directors and the Integrity and Sustainable Development Committee—has set the following greenhouse gas reduction targets:

At the same time, in response to the Sustainable Development Roadmap, the Company continues to promote ISO 14064-1 greenhouse gas inventory, building annual databases and strengthening data management as the basis for continuous improvement of green operations and net zero transition plans and action programs. The Company's greenhouse gas inventory details are as follows:

Each year, the Company engages a third-party independent institution to conduct annual assurance of its greenhouse gas emissions. In 2024, the Company commissioned KPMG Taiwan to verify its GHG emissions inventory. In addition to Scope 1 and Scope 2, the 2024 verification also covered Scope 3 emissions, including emissions from purchased goods or services (Category 4), waste generated in operations, and emissions from investments (Category 5). The limited assurance process was successfully completed on April 8, 2025, establishing a new milestone in the Company's greenhouse gas management, green operations, and sustainable governance.



- Inventory boundary scope: All business locations of the Company in Taiwan.
- Baseline year: 2023.
- In 2024, Scope 1 and Scope 2 GHG emissions decreased by 1.12% compared with the baseline year (2023), which fell short of the annual reduction target of 1.43%. The shortfall was primarily due to significant business expansion and workforce growth. Although the Company actively implemented energy-saving and carbon reduction measures, the increase in operational activities outweighed these reductions, preventing the achievement of the annual goal. However, from the perspective of GHG emission intensity, there was a 28.25% decrease compared with the previous year, reflecting improved efficiency.

Greenhouse Gas Emissions Table	年度	2022	2023	2024
Scope 1		447.24	357.23	340.91
Scope 2		5,034.04	4,858.63	4,816.60
Subtotal		5,481.28	5,215.86	5,157.51
GHG Emission Intensity (tCO ₂ e / million revenue)		0.971	0.492	0.353
Change in Intensity vs. Previous Year		-	-49.35%	-28.23%
Scope 3: Investment		-	-	212,595.63
Scope 3: Others		-	-	978.27
Total		5,481.28	5,215.86	218,731.41
				Unit: tCO ₂ e

Note 1: Data sources include electricity bills, building electricity allocation tables, and fuel receipts.
Note 2: Scope 1 emission factors are based on those announced by the Ministry of Environment.
Note 3: Electricity factors are based on the 2023 electricity emission factor of 0.494 kgCO₂e/kWh, as announced by the Bureau of Energy, MOEA.
Note 4: "Scope 3 Others" includes emissions from purchased goods or services under Category 4, waste generated in operations, and emissions from investments under Category 5. Detailed data are provided in Appendix 3: 2024 Greenhouse Gas Emission Inventory.
Note 5: GHG emission intensity is calculated using operating revenue (million NTD revenue) as the denominator, rounded to two decimal places.

5.3.2 Application of Digital Technology

In the past, greenhouse gas inventory tasks relied on manual consolidation and the statistical processing of large volumes of data, which was both time-consuming and prone to error. This was especially the case when involving multiple sources of greenhouse gas emissions or business locations, where the quality of data and figures was more difficult to control, and it was impossible to generate reports and conduct trend analysis in real time. As the Company strives to promote green operations through digital technology, it has independently developed and introduced the application of Robotic Process Automation (RPA). This application enables automated data queries from external websites, the consolidation of data from business locations or greenhouse gas emission sources, and the generation of detailed reports which are then imported into the greenhouse gas inventory platform.

The results of this digital technology application not only improved the accuracy, completeness, and reliability of the data, but also reduced human resource input by 46.7%, significantly enhancing management efficiency. This achievement marks an important milestone for the Company in its self-developed digital technology applications for green operations.

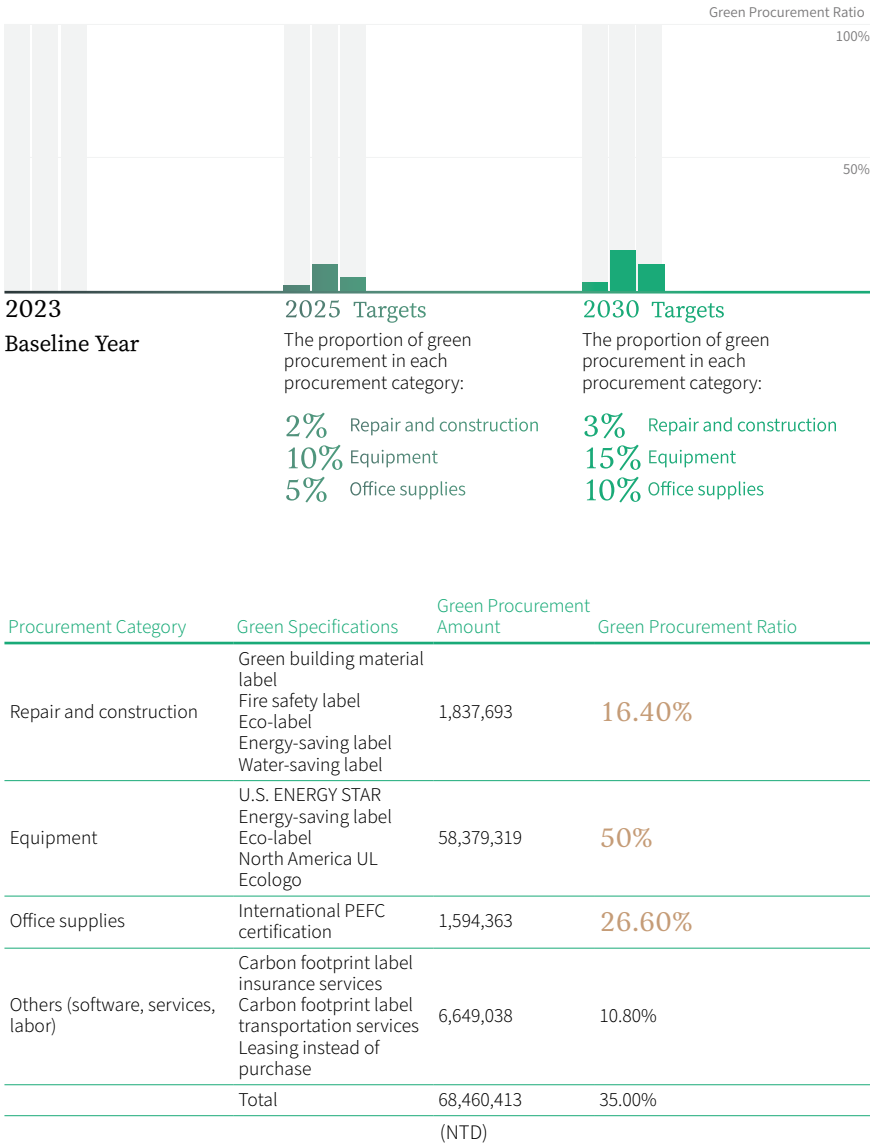
5.3.3 Green Procurement and Sustainable Supply Chain

The Company aims to extend the influence of its net-zero pathway to suppliers by incorporating green operations and net-zero transition plans and action programs into procurement and supplier management systems. With approval from the Board of Directors and the Integrity and Sustainable Development Committee, management targets were set as follows:

Key measures include incorporating sustainability clauses and strengthening requirements for green products such as eco-labels, energy-saving labels, and green building materials, or products made of recycled materials, low-pollution, and low environmental impact specifications.

- 100% of suppliers signed the “Supplier Human Rights and Environmental Sustainability Commitment Letter,” which cover environmental protection, occupational safety and health, and labor rights.
- In 2024, the proportion of green procurement in each category exceeded the original targets, as follows:

- Repair and construction: 16.4% (long-term target 3%)
- Equipment: 50% (long-term target 15%)
- Office supplies: 26.6% (long-term target 10%)



Supplier Sustainability Initiative Conference

Building a Sustainable Value Chain Together
Toward a Net-Zero Future



Capital Securities Corp. has long been committed to promoting ESG responsibility in the supply chain and strengthening sustainable collaboration with supplier partners. On August 16, 2024, the Company held its first Supplier Conference — Sustainability and SDGs Initiative Conference, with the central theme of “Net-Zero Carbon Reduction for a Sustainable Future and a Diverse and Inclusive Workplace Environment”, actively calling on supplier partners to jointly respond to the United Nations Sustainable Development Goals (SDGs).

The conference was hosted by Chairperson Chou, Hsiu-Chen and President Lee, Wen-Chu, who publicly presented certificates of appreciation to acknowledge suppliers for their long-term support and sustainability commitments. The Company also invited sustainability experts to deliver keynote speeches, providing in-depth discussions on corporate energy-saving and carbon-reduction strategies and practical actions to help suppliers build a more comprehensive ESG action blueprint.

- Key Topics**
- Commitment to net-zero carbon reduction actions
 - Advocacy for a diverse, equal, and inclusive workplace environment
 - Sharing of best practices in energy saving and carbon reduction
 - Sustainable supplier initiatives
 - Support for the United Nations Sustainable Development Goals (SDGs)

Through this Supplier Sustainability Initiative Conference, the Company formally demonstrated its determination to leverage financial expertise to drive sustainable supply chain action, committing to work with partners to build a “low-carbon, sustainable, and shared-prosperity” green financial supply chain ecosystem, thereby fulfilling its role in advancing financial sustainability.

5.4 Eco-Friendly Measures

5.4.1 Digital Finance Carbon Reduction Initiatives

The Company is committed to driving paperless operations, digital process simplification, and carbon reduction actions through digital financial innovation, while integrating the concepts of green finance and sustainable development. By promoting digital services and platform integration, customers can enjoy convenience while achieving the goals of energy conservation, carbon reduction, and minimized resource consumption.

Paperless Digital Account Opening Process

The Company’s “Account Opening 2.0” platform adopts rapid identity verification and online review technology, enabling customers to complete the account opening process within three minutes. Through full digitalization of the process, the use of paper applications is greatly reduced, promoting paper reduction in operations.

Digital Transactions and Widespread Use of Electronic Statements

The Company fully promotes elec Account Opening 2.0, electronic statements and digital notifications, reducing the need for paper billing. In addition, the use of the mobile app and online trading platforms has increased the proportion of electronic transactions, with the electronic order placement ratio exceeding 83% in 2024.

Innovative Digital Financing Services

The Company launched the “Capital Easy Loan” digital loan platform, which integrates automatic collateral settlement and online repayment functions. This simplifies processes, reduces physical counter transactions, lowers carbon emissions from transportation, and decreases operational energy consumption.

Digital Platform Service Integration and Carbon Reduction Results

The Company has integrated the “Capital Pay” platform with the “Mobile Winner” app and the “Capital Securities Eagle” app to provide comprehensive digital wealth management services. This integration encourages customers to transition from physical services to online operations, thereby reinforcing environmentally friendly practices.

External Collaboration and Green Finance Initiatives

To enhance financial inclusion and net-zero carbon reduction efforts, the Company has collaborated with The Shanghai Commercial & Savings Bank, Ltd. and GreenhopeTW in the “ESG Inclusive Green Finance Program”, which encourages consumers to adopt green consumption practices. Customers who establish a personal carbon savings account with Capital Securities to commit stock savings from carbon assets receive a NT\$1 stock savings transaction fee discount, thereby motivating public participation and engagement.



5.4.2 Environmental Education and Employee Engagement

The Company recognizes that cultivating employees' sustainability awareness and capacity for action is key to driving corporate green transformation and achieving eco-friendly objectives. Through diversified environmental education, sustainability activities, and public welfare participation, the Company actively enhances employees' green literacy, ensuring that ESG values are naturally embedded in daily work and life, thereby becoming part of the corporate culture.

■ Environmental Education and Sustainability Training Promotion

The Company has developed a "Sustainability Talent Development Blueprint", investing more than NT\$20 million in training to systematically promote employee sustainability transformation and professional development, fully integrating sustainability concepts into employee education programs. Training focuses not only on sustainability awareness, climate change, and net-zero emissions but also promotes professional certifications in sustainable finance. By the end of 2024, 45 employees had obtained sustainable finance licenses, while 57 employees had earned certifications in ISO 14064-1 Greenhouse Gas Inventory, ISO 50001 Energy Management Systems, and others.

■ ESG Environmental Education and Sustainability Activities

The Company actively participates in various environmental education and social advocacy initiatives, including:

- The "Xindian River Basin Walk", which fosters understanding of watershed ecology and water resource protection.
- The "Green Hope Spring" tree-planting initiative, which involves planting native trees across Taiwan to put the concept of green finance into practice.

■ Environmental Protection Actions and Sustainability Advocacy

To deepen employee participation in energy conservation and carbon reduction, Capital Securities Corp. promotes several internal eco-friendly initiatives, including:

- "Water Refill Map" initiative with the installation of "Eco-Friendly Plastic Reduction Counters," cumulatively reducing 523,922 plastic bottles.
- Encouraging employees to use electronic approvals and digital documents in place of paper and to adopt green behaviors during environmental activities.
- Hosting lectures such as "Eat Well, Live Green: The Magic of Low-Carbon Eating" to enhance employees' health awareness and environmental consciousness.

ESG Tree Planting and Carbon Sink



In 2024, the Company once again responded to the calls of "Green Hope Spring" and "United Daily News Online Advocacy". On March 20 (the Spring Equinox), in collaboration with Ming Chuan University, Walk in Taiwan, and other corporate partners, the Company planted 1,045 native trees at Ming Chuan University's Taoyuan campus, reaffirming its commitment to a sustainable future.

For example, a 10-year-old Diospyros blancoi tree can absorb 180 kg of CO₂ annually, reduce 472 kgCO₂e, generate approximately 94,551 kg of oxygen, retain about 352 metric tons of groundwater, and prevent approximately 1,895 kg of soil erosion. Planting such trees symbolizes hope and long-term commitment to protecting the land, reducing greenhouse gas emissions, and supporting sustainability for decades—even centuries—while aligning with UN SDG 17 (Partnerships for the Goals) by promoting green and sustainable finance.

Water Refill Map

— Small Habits, Big Impact for Plastic Reduction



To reduce the use of plastic bottles and single-use plastic waste, the Company launched the "Water Refill Map" initiative in 2023. "Capital Refill Stations" were established at all business locations, where drinking water facilities are equipped with plastic reduction counters to encourage clients and employees to bring their own containers.

By the end of 2024, this initiative had reduced plastic bottle usage by 523,922 bottles (each 600ml bottle counted as one), equivalent to a carbon reduction of 63 tCO₂e (calculated at 0.121 kgCO₂e per 600ml bottle).

5.4.3 Social Well-Being and Ecological Actions

Upholding the principle of starting with its own green operations, the Company promotes social well-being and ecological conservation actions. Through diverse sustainability initiatives and practices, the Company deepens its commitment to sustainable development, joining employees, clients, and the broader public in building a sustainable future together.



Natural Ecology Protection Advocacy Action

The Company held the “**Natural Ecology Protection Advocacy Action**” at Dragonfly Rock Organic Ecological Farm in Toucheng, Yilan, inviting about 30 VIP clients to participate. Through on-site exploration and interactive sustainability workshops, participants learned how the black soldier fly ecological recycling system transforms organic waste into resources, achieving a zero-waste, low-carbon farming model.

The event also featured a green, low-carbon lunch prepared with farm produce and local ingredients, offering clients a “farm-to-table” experience that embodied eco-friendly agriculture and local revitalization. During discussion sessions, guests and experts explored how to integrate environmental protection, green finance, and sustainability strategies into corporate operations to enhance competitiveness in sustainability and how to establish partnerships to promote SDG 17.



ESG Walking Event

To promote employees’ physical and mental well-being and align with sustainability goals, Capital Securities Corp. hosted the “**Together for Health, Walk for Good**” ESG Walking Event, which attracted nearly 1,000 employees. Using digital technology, activity data was uploaded to the cloud through an external app, enabling standardized data collection, rapid data compilation, and real-time updates. Participants accumulated over 80 million steps, equivalent to approximately 56,000 kilometers, resulting in an average exercise increase of 20.6% and a total carbon reduction of 2.01 metric tons.



Earth Hour “Lights Off for One Hour” Action

The Company continued its participation in the global “**Lights Off for One Hour**” initiative by coordinating between its Taipei headquarters and 52 branches across Taiwan to switch off all non-essential lighting. Through its official website, the Company also encouraged clients and employees to join this power-saving action. This initiative not only demonstrated the Company’s commitment to environmental sustainability but also symbolized an upgrade in its overall sustainability efforts.

In addition, the Company launched the 2025 **ESG Desk Calendar**, featuring illustrations of Taiwan’s natural landscapes. The calendar marked important sustainability dates and incorporated corporate sustainability case studies, with over 10,000 copies distributed to employees, clients, and partners. This served as a daily visual reminder to reinforce environmental awareness.

Through these diverse social well-being and ecological initiatives, Capital Securities Corp. continues to deepen its corporate sustainability culture. Together with employees, clients, and society, the Company strives to achieve sustainable development goals and contribute to creating a greener, more sustainable future.



Digital Resilience and Innovation

Capital Securities Corp., grounded on the digital finance foundation of information security, personal data protection, and business continuity, actively promotes digital technology and innovative services. These efforts contribute to the achievement of green finance goals and the effective implementation of the Company's green transformation performance.

Number of personal data security incidents

0

Cases of information security or personal data protection penalties imposed by regulators

0

Information security and personal data protection training

100%

Number of digital finance patents

Maintaining 6 patents

Number of information security incidents

0

Number of business interruptions

0

Proportion of electronic trading orders

83%

Expansion of Robotic Process Automation (RPA) applications

Achieved

6.1 Guardian of Digital Finance

6.1.1 Information Security Commitment

The Company upholds the governance principle of being “risk-oriented and prevention first.” This policy framework references international information security standards (such as ISO/IEC 27001) and the relevant cybersecurity guidelines of the Financial Supervisory Commission, establishing a Board-level Information Security Policy. The Company actively plans and promotes information security strategies, implements management systems, technologies, and measures, and is committed to protecting corporate information assets and customer data security.

At the same time, based on a risk-oriented methodology and assessment mechanisms, as well as identifying vulnerability and threat scenarios, the Company evaluates the risks of various information assets and, accordingly, dynamically designs the intensity of corresponding management systems, technologies, and control measures. In addition, regular security audits, penetration tests, vulnerability scans, and emergency response drills are conducted to continuously evaluate the effectiveness of protective measures, ensuring compliance with domestic financial supervision regulations and best practices, and safeguarding the ability to respond to increasingly complex internal and external information security risks in real time.

In terms of information security action strategies, the Company continues to promote and strengthen its approach along five major dimensions:

(1) Governance Organization

Establish a Board-level supervisory system, Information Security Management Review Committee, and Chief Information Security Officer system to ensure proper decision-making, oversight, and resource allocation for information security policies.

(2) Management Systems

Develop comprehensive internal control mechanisms for information security, clearly define technical and procedural requirements, and conduct regular dynamic adjustments.

(3) Protection and Detection

Implement multi-layered defense technologies, including endpoint protection, network firewalls, intrusion detection systems, SIEM (Security Information and Event Management) platforms, and fraudulent website detection mechanisms. 24/7 monitoring is conducted, along with external threat intelligence sharing and analysis.

(4) Response and Recovery

Enforce incident reporting, emergency command, disaster recovery (DR), and business continuity planning (BCP) drills to ensure uninterrupted operations in the event of information security incidents.

(5) Assessment and Enhancement

Introduce information security maturity assessments, outsourcing risk control, security audits, and regular self-assessment of internal controls, while incorporating results into KPIs and employee performance evaluations, to achieve continuous improvement.

6.1.2 Organizational Structure and Responsibilities

Information security is regarded as the cornerstone of digital finance strategy and operational risk management. Through a top-down, multi-layer defense system and hierarchical reporting and supervision, the Company ensures that the risks to information assets and customer data are effectively controlled.

■ Board of Directors

As the highest risk management body, the Board supervises the overall development and performance of information security. Within the Board, directors with information security expertise provide professional judgment and substantive oversight on information security policies, risk identification, and related technical and procedural countermeasures.

Director Tsai, I-Ching

- Level C Certified Technician in Computer Software Design, Ministry of Labor.
- ISO/IEC 27001:2022 Information Security Management System (ISMS) CQI & IRCA Lead Auditor.

■ Chief Information Security Officer (CISO)

At the Vice President level, the CISO is responsible for implementing information security policies, planning action strategies, evaluating risk identification results, and determining the strength of technical and procedural countermeasures. The CISO reports regularly to the President and the Board of Directors on performance objectives and outcomes.

■ All Departments

Each department is tasked with embedding information security into daily operational processes, rigorously implementing corporate information security measures, and actively participating in training and awareness programs. Together, this fosters a corporate culture of “everyone’s participation, everyone’s responsibility” in information security.

■ Information Security Advisory Taskforce Team

The Company engages external information security professionals to provide consulting resources to the Board on information security-related expertise, technologies, and other management measures.

Depending on internal and external issues concerning information security, the Information Security Advisory Taskforce Team convenes meetings to produce advisory opinions or recommendations for the Board to review, thereby supporting substantive oversight of the Company’s overall information security strategy, performance objectives, and implementation outcomes.

■ Information Security Department

The Company has established a professional information security team dedicated to implementing management systems, technologies, and measures. Following a risk-based methodology and evaluation mechanisms, as well as utilizing vulnerability and threat identification tools, the team assesses risks across information assets and dynamically adjusts and strengthens response mechanisms.

Each year, the team conducts regular security audits, penetration tests, vulnerability scans, and emergency response drills to continuously validate the feasibility and effectiveness of protective measures and implement improvements where deficiencies are identified.

■ Management Review Committee

Serving as the highest executive body for information security, this committee, composed of the President and heads of all departments, holds regular meetings to ensure that strategies are executed in alignment with information security policies. It is responsible for tracking the performance objectives of the management system, supervising continuous improvement, and fostering a sound information security culture and efficient allocation of resources.

The committee oversees multiple functional teams covering technical implementation, incident response, compliance audits, and business continuity:

— Cybersecurity Incident Response Team

Led by the President, this team integrates relevant departments to respond to cybersecurity incidents, managing both internal and external reporting and emergency responses to reduce operational impact and safeguard customer interests.

— Information Security Implementation Taskforce Team

Also chaired by the President, this team oversees and decides on overall information security strategies, confirms departmental responsibilities, coordinates cross-departmental manpower and resources, and supervises the execution of company-wide performance objectives.

6.1.3 Multi-Layered Information Security Defense System

The Company continues to enhance its information security management system by integrating its own technologies, security control measures, and joint defense mechanisms with regulators and cybersecurity vendors. This framework builds a multi-layered defense system with early warning, detection, response, and recovery capabilities, strengthening the Company’s ability to identify and respond to risks, threats, and vulnerabilities. The steady increase in resources allocated to information security is evident: in 2023, information security spending accounted for 14.15% of total IT expenses, rising to 26% in 2024, reflecting the Company’s concrete actions to safeguard customer data security and ensure operational stability.

Information Security Budget (2024)		Total IT Budget (2024)	Information Security Proportion
Outsourced services, software, and hardware licenses	NT\$83,210,000	NT\$325,087,000	26%
Education and training	NT\$305,500		

01

Information Security Governance Maturity Assessment

To strengthen the effectiveness of information security governance, the Company comprehensively reviews the completeness, feasibility, and execution of its organizational structure, capabilities, systems, technologies, and measures. Key evaluation areas include network risk, threat intelligence management and collaboration, cybersecurity, incident response, outsourcing and dependency management, among others. Quantitative analysis is conducted based on industry-standard methodologies and risk models, helping the Company identify strengths and

weaknesses in its current governance system, uncover areas for improvement, and design mid- to long-term enhancement strategies and concrete action plans.

The Company’s ongoing maturity assessments consistently demonstrate outstanding performance, underscoring its leading advantages in information security governance planning and implementation. These efforts establish a solid foundation for the Company’s promotion of digital finance.

02

Threat Intelligence Sharing and Real-Time Joint Defense Mechanisms

Faced with increasingly complex cybersecurity threat scenarios, the Company adopts both horizontal integration and vertical defense-in-depth strategies to achieve real-time access to cybersecurity intelligence and rapid response:

F-ISAC

Financial Information Sharing and Analysis Center

The Company’s cybersecurity team is dedicated to interfacing with the F-ISAC platform, actively participating in intelligence-sharing activities to access real-time threat intelligence from the industry chain and international reporting systems. For emerging cybersecurity risks and recommendations issued by F-ISAC, the Company formulates and implements preventive strategies based on internal risk assessments, ensuring timely updates to its defenses.

SIEM Platform

for Real-Time Risk Monitoring and Alerts

In cooperation with cybersecurity service providers, the Company has implemented a Security Information and Event Management (SIEM) system. Through automated monitoring and analysis, the SIEM platform enables the detection and alerting of internal abnormal behaviors as well as external threats and attacks, along with correlation analysis, significantly improving the Company’s ability to identify and address risks efficiently.

SOC

Security Operations Center

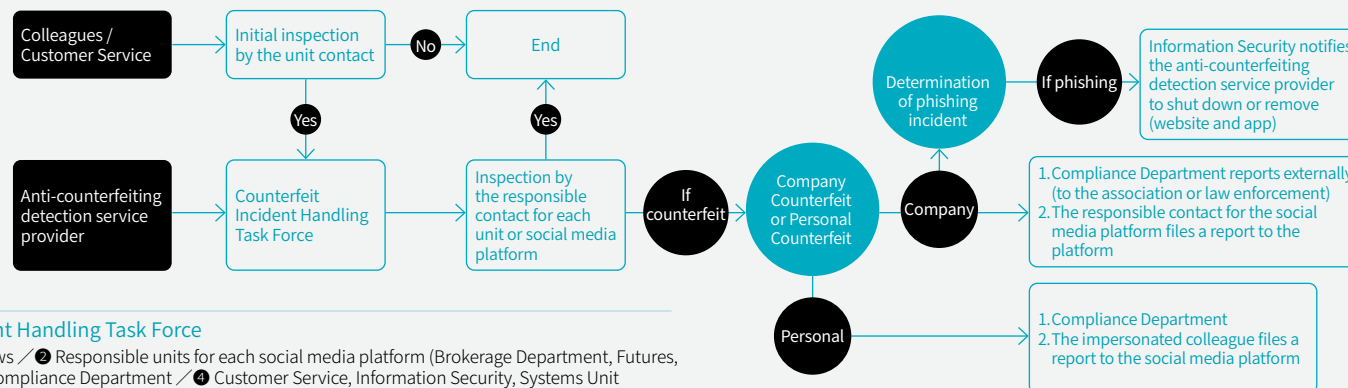
The Company has established a Security Operations Center (SOC) in collaboration with cybersecurity vendors, providing around-the-clock (7×24) monitoring and detection of internal and external cybersecurity incidents. The SOC conducts correlation analysis and delivers immediate professional, technical, and situational emergency responses, creating a strong frontline defense against anomalies, vulnerabilities, and threats, and enhancing the Company’s ability to maintain real-time control and rapid response to cybersecurity incidents.



03

Fraud Prevention Governance and Impersonation Detection Technology

The Company actively aligns with government anti-fraud policies and financial consumer protection objectives. In 2024, resources were continuously invested to enhance the **RSA external impersonation detection and takedown service system**. This enabled real-time monitoring, detection, reporting, assessment, and prompt takedown of phishing websites, counterfeit mobile applications, or other fraudulent message carriers (such as social media). These measures have effectively blocked fraud threats, safeguarded customers' digital transaction security and rights, and fulfilled the principle of fair treatment of clients.



Counterfeit Incident Handling Task Force

① Unit contact windows / ② Responsible units for each social media platform (Brokerage Department, Futures, subsidiaries, etc.) ③ Compliance Department / ④ Customer Service, Information Security, Systems Unit

Real-Time Anti-Counterfeiting System Detection and Notification / 24/7 monitoring and re-inspection / Immediate notification of counterfeit incidents

Types of Counterfeit Incidents Removed: Websites, social media platforms, Apps, phishing scams, brand infringements, and other related incidents

04

Information Security Management of Outsourced Institutions

Given the high level of collaboration between the securities industry and external technology and information and communication service providers (hereinafter referred to as “outsourced institutions”), the Company, in accordance with the requirements of the Financial Supervisory Commission, has established a management system for outsourcing operations. For any business items or customer information-related processes entrusted to outsourced institutions, the Company applies a risk-based methodology to design and implement appropriate management technologies and measures, such as due diligence, customer rights protection, risk and benefit analysis, risk management principles and controls, contractual requirements, information security, customer data protection, emergency response, regular monitoring, and continuous improvement. Regular risk assessments and materiality evaluations of outsourced tasks are also conducted to ensure effective control over impacts on Company operations and customer rights.

Supplier Information Security Review System:

Before signing outsourcing contracts, the Company conducts risk assessments on suppliers' information security capabilities, certification status (e.g., ISO 27001, SOC 2 reports), and past incident records.

Contractual Information Security Clauses:

Contracts explicitly require data protection, incident reporting, vulnerability remediation timelines, service-level availability (SLA), and obligations to remove information after termination of services.

Outsourcing Audits and Monitoring:

The Company regularly conducts on-site or document-based information security audits of critical suppliers, while the internal control unit continuously tracks and follows up on improvements.

In addition, for major outsourcing or cross-border cloud services, the Company performs additional risk assessments and files management plans with the relevant authorities, ensuring overall operational risks remain under control and that customer data is not subject to unauthorized access or leakage through the supply chain.

05

Information Security Incident Reporting and Response Mechanism

In addition to the established Cybersecurity Incident Response Team, the Company has implemented an information security incident reporting and response mechanism. In line with the Financial Cybersecurity Action Plan and international standards, this mechanism includes incident severity classification, threat intelligence sharing and real-time joint defense systems (e.g., F-ISAC, SIEM, SOC), notification and reporting procedures, emergency response, and post-incident recovery or corrective and preventive processes. These measures ensure that all relevant departments are familiar with reporting and response procedures, strengthen horizontal coordination and crisis management capabilities, and reduce the risk of incident escalation and reputational damage.

- Real-time internal notification and emergency response mechanism.
- Statutory reporting to government agencies (e.g., Financial Supervisory Commission, Taiwan Stock Exchange) within required timeframes.
- Necessary notifications and explanations to clients.

* The Company did not experience any information security incidents in 2024.

6.1.4 Employee Training and Awareness Promotion

The Company promotes information security awareness among all employees to ensure comprehensive protection of the Company and client security requirements. Annual education and training programs mandate that, regardless of job function or seniority, all employees must participate in at least one training course and pass the assessment either in their first year of employment or annually during their tenure. Implementation results in 2024 are as follows:



6.1.5 Independent Third-Party Assessment

To continuously improve its information security management system, the Company commissions independent third-party institutions annually to conduct external audits in accordance with the ISO 27001 Information Security Management System standard. Recommendations provided by these institutions are implemented accordingly. In 2024, the Company not only successfully completed the transition to the 2022 updated version of the ISO 27001 standard, but also continued to maintain the validity of its international certification.

6.2 Solid Defense for Privacy Protection

Financial services involve extensive customer background data and rights, particularly under the trend of rapid digital financial development. The Company fully recognizes the importance of personal data protection in maintaining customer trust and ensuring sustainable corporate operations. In accordance with the “Personal Data Protection Act,” regulatory requirements, and with reference to BS 10012:2017 standards, the Company has established a Personal Data Protection Management System. This system covers policies, roles and responsibilities, inventory and risk assessment, rights exercise, incident response and contingency measures, as well as procedures for the collection, processing, and utilization of personal data, thereby ensuring effective risk control over customer data protection.

6.2.1 Commitment to Personal Data Protection

The Company respects the rights of data subjects and, in line with the principles of data minimization and good faith, strictly regulates the lifecycle of personal data files, including destruction or deletion. Full traceability, records, and evidence are maintained for effective monitoring and control. Based on the results of risk-based methodologies and assessments, the Company establishes security management measures. These are reinforced through vertical reporting and horizontal communication mechanisms via committee platforms, ensuring effective implementation and full compliance with legal and regulatory requirements.



6.2.2 Governance Structure and Division of Responsibilities

Given the critical importance of personal data protection to customer rights and in response to national anti-fraud policies, the Company enforces a top-down governance system with effective oversight to ensure customer data risks are properly controlled, thereby upholding customer trust.

Board of Directors: Serves as the Company's highest supervisory body for personal data protection. It reviews the Personal Data Protection Policy, supervises performance targets and execution results, and ensures overall compliance. Directors of the Company also hold professional certifications in personal data protection, thereby supporting the Board in making professional judgments and providing substantive oversight of compliance and risk management.

Management Review Committee: Convened by the President, with participation from all department heads. This committee reviews management systems, confirms performance targets, supervises execution results, and enforces a top-down governance structure.

All Departments: Integrate personal data protection into daily operational processes, implement the Company's security control requirements, and actively participate in training and awareness activities, thereby responding to customer trust with concrete actions.

Director Tsai, I-Ching

- Ministry of Economic Affairs, Taiwan – Certificate of Internal Auditor for Personal Data Protection and Management System.
- Ministry of Economic Affairs, Taiwan – Certificate of Personal Data Protection and Management Specialist.

6.2.3 Continuous Improvement of the Management System

The Company has established a risk-based methodology and assessment framework. Based on the results of these assessments, the Company implements security management measures of appropriate intensity to effectively control the level of risk. Other management systems are summarized as follows:

- 1 Compliance with notification requirements, specific purposes, and specific circumstances for collection.
- 2 Collection, processing, and utilization activities must follow notification requirements, the scope of specified purposes, and internal control requirements.
- 3 Promotion of the principles of data minimization and authorization, implementing access controls for employees.
- 4 Enforcement of encryption, transmission management, masking mechanisms, or de-identification processing.
- 5 Lifecycle management of personal data files, including the implementation of destruction or deletion mechanisms.

- 6 Clear definition of procedures for the exercise of data subject rights.
- 7 When outsourcing the collection, processing, or use of personal data held by the Company to external vendors, personal data protection clauses are included in contracts, requiring proper management systems and measures, with regular supervision and improvement.

6.2.4 Personal Data Security Incident Reporting and Response Mechanism

The Company has established a reporting and response mechanism for personal data security incidents, clearly defining incident classification, reporting procedures, and emergency response and corrective processes. In the event of security incidents such as theft, alteration, damage, loss, or leakage of personal data, evaluation and reporting mechanisms are immediately executed, with response measures adopted according to incident severity.

If customer data is involved, the Company ensures compliance with personal data protection regulations by notifying affected individuals appropriately of the facts and response measures related to the incident, while also providing communication channels to safeguard customer rights.

In 2024, the Company did not experience any personal data security incidents (theft, alteration, damage, loss, or leakage) and did not incur any major penalties from regulatory authorities.

6.2.5 Employee Training and Awareness Promotion

The Company promotes proper awareness of personal data protection regulations and fundamentals among all employees, fostering a corporate culture of compliance with personal data protection. Annual training plans stipulate that, regardless of job function or rank, all employees must attend at least one personal data protection course and pass an assessment either during their first year of employment or annually thereafter.

In 2024, the Company achieved a 100% training completion rate among all employees. Additionally, the Company holds five BS 10012 PIMS (Personal Information Management System) Lead Auditor certificates.

6.2.6 Effectiveness of Independent Third-Party Evaluations

To continuously enhance its personal data management system, the Company annually commissions independent third-party agencies to conduct external audits based on the BS 10012:2017 standard, and implements improvements based on the recommendations provided. In 2024, the Company successfully passed verification of its personal data protection management system, maintaining the validity of its international certification.

6.3 Demonstrating Resilient Services



6.3.1 Governance Structure and Responsibilities

To ensure the resilience of digital financial services and operational activities, and to strengthen emergency response capabilities, the Company has established a comprehensive Business Continuity Management (BCM) system based on the ISO 22301 standard and regulatory requirements. This system is integrated into each unit's internal control framework to ensure that, in the event of unforeseen incidents, the Company can rapidly activate emergency response mechanisms, maintain the provision of critical financial services and operations, and continuously improve through the Plan-Do-Check-Act (P-D-C-A) management methodology. These measures effectively safeguard customer rights and maintain financial market stability.

- **Board of Directors:** Serves as the Company's highest risk management body, responsible for reviewing the Business Continuity Policy and supervising the performance goals and implementation outcomes of the BCM system.
- **Management Review Committee:** Chaired by the President and composed of unit heads, this committee is responsible for reviewing the management system, confirming performance targets, and overseeing execution results. It ensures a top-down governance system, keeping the Company's overall business continuity plan aligned with evolving needs and industry best practices.
- **Business Continuity and Crisis Response Taskforce:** In the event of emergencies, this taskforce activates contingency plans according to the scenario, such as personnel evacuation, offsite backup mechanisms, and disaster recovery (DR) procedures. It coordinates cross-departmental resources, consolidates progress updates, reports upward, and facilitates horizontal communication to ensure uninterrupted delivery of key financial services.

6.3.2 Management System and Business Impact Assessment

The Company has established a Business Continuity Management (BCM) system covering policies, objectives, governance structure, risk identification, impact assessment, contingency planning, standards and documentation, drills and training, reporting mechanisms, and internal and external communications. This system is maintained and enhanced through the Plan-Do-Check-Act (P-D-C-A) management methodology. Each year, based on the results of the Business Impact Analysis (BIA) and risk assessments, the Company reviews its strategies, performance objectives, and management measures for critical financial services and operations, updating the Business Continuity Plan (BCP) accordingly. Annual drills and training are conducted, with results reviewed to implement corrective measures, revise new BCPs or procedures, and optimize resource allocation.

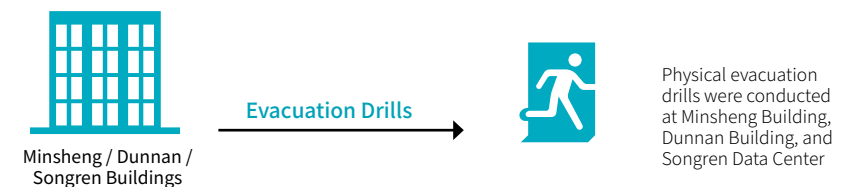
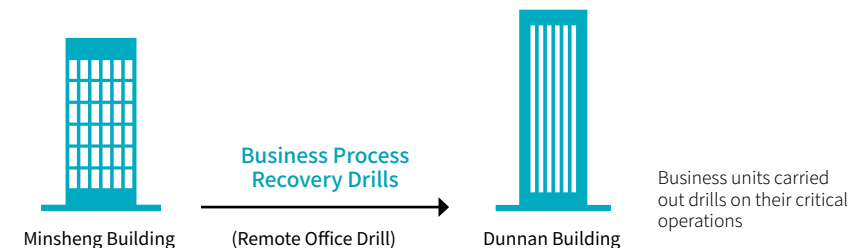
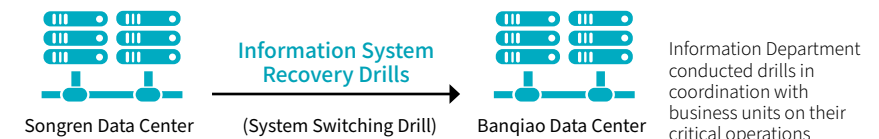
The performance of the overall management system and progress of improvements are reported upward by the dedicated taskforce to the Management Review Committee and the Board of Directors, ensuring close interaction between the management system and senior leadership, thereby maintaining momentum for continuous enhancement.

Each year, the Company conducts risk identification and Business Impact Analysis (BIA) across all critical financial services and operational activities, assessing the impact and required management measures for scenarios such as earthquakes, fires, pandemics, major human errors, and resource disruptions. From these evaluations, critical services and activities are identified, along with their Recovery Time Objectives (RTOs) and Maximum Tolerable Periods of Disruption (MTPDs).

In the current year, eleven high-risk factors were identified. Based on the impact analysis results, the Company set a principle RTO of restoring critical financial services and operational activities **within one hour**. Accordingly, the Company developed specific BCPs and operational procedures, designated dedicated taskforces with defined responsibilities, and prepared backup resource allocations. These became the basis for annual drills and exercises, which test practical feasibility, strengthen emergency response capabilities, and support rolling updates of BCP content.



At the same time, the Company has sought to further enhance digital resilience, progressively integrating business interruption risk management with IT backup strategies. This includes continuously improving offsite backup data centers, alternative office environments, remote work mechanisms, and related equipment to ensure that, in the event of disruptions, essential operations can be sustained at a minimum level, thereby preventing losses to customer interests and maintaining financial market stability.



6.3.3 Regular Drills and Training

■ Diverse Drill Mechanisms

To ensure the effectiveness of its Business Continuity Plan (BCP) in responding to emergencies, the Company has established an annual mechanism for planning, testing, and reviewing drills. This mechanism verifies practical feasibility and emergency response capability, ensuring that the BCM system transitions from being merely a “document” or “plan” to real “practice” and “action.”

Accordingly, the Company promotes **multiple types of continuity drills**, covering critical financial services, operational activities, and associated high-risk factors. Drill scenarios and recovery objectives (RTOs) are set based on departmental characteristics. Post-drill, results are analyzed and follow-up improvements are tracked, thereby strengthening emergency response capabilities and allowing rolling adjustments to the BCP to align with current resources and staffing conditions.

System Disruption Drill: Simulates emergency responses to unexpected interruptions in systems supporting critical financial services and operations.

Offsite Backup Switching Test: Conducted at least once per year to validate system and personnel operations at the offsite backup data center, ensuring normal, effective functioning within expected timeframes.

Physical Disaster Simulation: Covers scenarios such as fires, earthquakes, or large-scale power outages, including notification, emergency response, and evacuation procedures.

■ Organization-Wide Training Culture

The true effectiveness of the BCM system depends on employees’ awareness, role familiarity, and response capabilities. Only when employees are well-prepared can operational resilience be enhanced. Accordingly, the Company regards employees as a core element of BCM and, through drills and training, ensures that staff at all levels possess the necessary awareness and response skills. This creates a culture of top-down leadership and cross-unit communication and coordination, embodying the principle that “every employee is essential.”

The Company has established a three-tiered training framework, targeting different groups:

Board of Directors and Senior Executives: Focus on professional knowledge of major operational risk scenarios, decision-making mechanisms, risk monitoring, and response responsibilities.

Middle Managers and Key Department Staff: Emphasize familiarity with BCP content, emergency awareness, resource utilization, cross-department coordination, and execution ability.

In 2024, dedicated staff completed 1,365 training hours, and 2 employees obtained ISO 22301 Business Continuity Lead Auditor certifications.

All Employees: Develop foundational emergency awareness, including familiarity with reporting channels, evacuation, and emergency response procedures. In 2024, all 2,393 employees received training, completing a total of 2,393 training hours.

6.3.4 ISO 22301 Verification Results

To continuously enhance its BCM system, the Company commissions an independent third-party organization annually to conduct external audits in accordance with the ISO 22301:2019 Business Continuity Management System standard. The Company then implements improvements based on the recommendations provided. As of 2024, the Company has consistently passed verification of its BCM system and continues to maintain the validity of its international certification.



6.4 Breakthroughs in Digital Financial Innovation

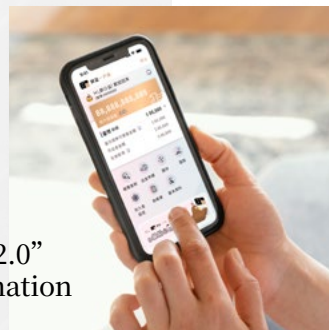
6.4.1 Digital Blueprint and Strategic Deployment



Facing the dual challenges of rapid evolution in financial technology and changing customer investment habits, the Company firmly believes that digital innovation is not only about enhancing operational efficiency but also about driving fairness in customer treatment, advancing inclusive finance, and promoting green finance. Therefore, the Company continues to deepen its breakthrough digital financial innovation strategy, striving to become a leading pioneer of digital finance in the securities industry.

In its strategic deployment, the Company continues to expand its professional digital finance and information and communications technology development teams, while dynamically adjusting the “Digital Finance Laboratory” initiative. This program drives the overall planning, promotion, and implementation of the Company’s digital financial strategy, covering areas such as digital financial service development, platform integration, process innovation, data application, talent cultivation, and internal innovation. The Company is committed to building a digital financial ecosystem centered on customer service experience, with financial technology serving as the engine of innovation, thereby achieving both corporate and social value enhancement. This ensures steady progress within the wave of financial technology, while aiming toward long-term sustainable operations.

6.4.2 Innovation in Digital Financial Services



01 “Account Opening 2.0” Platform Transformation

To simplify the process of accessing financial services for investors, the Company comprehensively upgraded its digital account-opening platform in 2024, launching the “Account Opening 2.0.” This platform integrates innovative mechanisms such as fast identity verification, streamlined process guidance, and real-time online review, enabling customers to **complete the account-opening process in as little as three minutes**. With its features of “simple operation” and “instant review,” the app lowers the barriers to accessing digital financial services, reduces the digital divide, and enhances privacy protection, aligning with the goals of inclusive finance and digital equity, while simultaneously advancing green finance through its paperless process.

According to statistics, the proportion of customers under the age of 30 opening accounts digitally in the first quarter of 2024 grew significantly, with a year-on-year increase of over 12%. This demonstrates that the platform is more user-friendly and appealing to first-time investors, younger groups, and student groups, effectively meeting their needs for efficiency, ease of use, and real-time access.

In addition, “Account Opening 2.0” is integrated with the “Capital Securities e-Service Counter,” enhancing customer tracking and interactive communication during the account-opening process. Customers can instantly monitor progress, document review status, and receive guidance on next steps. This significantly reduces the need for customer service or sales staff to handle inquiries, allowing human and time resources to be reallocated to addressing advanced needs or resolving more complex issues, thereby improving the overall quality of the Company’s financial services.

02 “Capital Pay 2.0” – Enhancing the Digital Service Experience



As digital financial services have gradually become a crucial channel of interaction between customers and financial institutions, the Company upgraded the interface and functions of its “Capital Pay” platform in 2024. The enhancements centered on customer experience, focusing on intuitive visual design and usability, creating a younger, more approachable, and user-friendly digital service application.

Improved Visual Interface

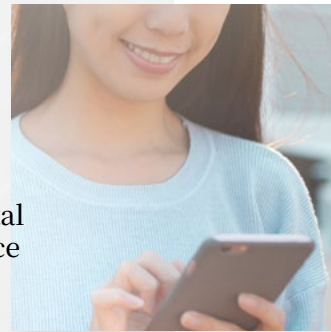
“Capital Pay 2.0” redefined the brand’s digital identity, enhancing visual friendliness by adopting a soft yet vibrant color palette and simplifying information presentation, thereby increasing user affinity and ease of use.

Additionally, to protect user privacy, the interface introduced a balance-hiding function, providing advanced data protection measures so customers can feel more secure while using digital services.

More Intuitive and Convenient Functions

Focusing on “intuitive” and “convenient” operations, the functions were rearranged, and with graphic-based design and intuitive logic, customers can access features more efficiently. This significantly lowers barriers to using digital financial services.

03 Innovative Capital Easy Loan Service



In line with its “Digital Financial Innovation” strategy, the Company launched the “Capital Easy Loan” service, directly integrated into the “Capital Pay” application. This allows customers to complete the entire process—from account opening, loan application, credit line management, to repayment—digitally. The digital-first advantage simplifies traditional loan processes, reduces reliance on paperwork, saves time and resources, minimizes manual errors, and significantly improves convenience, transparency, transaction security, and data integrity. This initiative also advances inclusive and green finance.

New Users

New users can quickly open an account and apply for loans through an intuitive online process, reducing the complexity of traditional financial services.

Existing Users Without Loans

The platform provides clear guidance for first-time loan applications and repayment, with a simple interface to reduce operational barriers.

Furthermore, the service features a unique innovation—“Automatic Collateral Settlement and Repayment”—which allows customers to settle collateral digitally without visiting a branch or handling manual transactions. This significantly enhances efficiency, provides accurate real-time repayment information, preserves digital transaction records, and strengthens customer confidence, autonomy, and satisfaction in loan management. It effectively lowers transaction thresholds and operational costs while boosting competitiveness through digital financial innovation.

Finally, the integration of “Capital Easy Loan” with “Capital Pay” consolidates previously fragmented functions such as account management, loan management, information inquiries, and customer service interactions into a single digital platform. This provides customers with a one-stop service solution, meeting diverse financial needs and management requirements while improving overall service efficiency and customer experience.

6.4.3 Smart Digital Ecosystem

With “Smart Services, Platform Integration, and Diversified Experiences” as its core themes, the Company continues to strengthen various digital applications, building a diversified ecosystem that covers trading, account management, wealth management, and interactive services to provide customers with a personalized digital financial experience. At the same time, powered by data as the core fuel and technology as the driving engine, the Company has developed a complete digital process from data integration and analytical insights to service delivery. This approach enhances operational efficiency and customer experience, realizing a highly personalized digital financial service model and further solidifying the Company’s leading role in the digital finance sector of the securities industry.

03 / Data-Driven Intelligent Decision-Making Platform

The Company has invested significant resources into data platform infrastructure and advanced analytics. For example, during the year, the Company continued to integrate diverse datasets into its post-trade database to enhance its **intelligent stock selection and recommendation services**. By consolidating historical trading records, financial transaction habits, product preferences, and interaction data, and leveraging visualization and automation tools, the platform delivers personalized investment suggestions and research resources tailored to each customer’s investment style, trading frequency, and portfolio preferences. This not only improves investment decision-making efficiency and convenience but also enables the Company to more accurately identify customer needs and enhance the depth of its financial service offerings.

04 / Intelligent Push Notification Mechanism

The “Intelligent Push System” analyzes customers’ holdings, watchlists, and potential points of interest in real time, proactively delivering market updates, major events, and research reports. Push content includes product announcements, intraday anomaly alerts, video links to individual stock research, and insights from the research team. This strengthens the Company’s role as both a provider and gatekeeper of investment knowledge, enabling customers to seize golden market opportunities, respond quickly, and place greater trust in the Company’s financial expertise.

05 / Shared Think Tank Platform

To enhance the depth of its financial services and overall digital brand value, the Company has integrated group resources and collaborated with investment consulting and futures research teams to establish an online “Think Tank Platform.” This platform offers high-quality financial research and investment advice, covering a wide range of content such as financial expertise, research reports, market analysis, and product descriptions. Customers can subscribe to receive content based on their own needs, achieving greater personalization and proactivity in information services and keeping pace with the latest financial knowledge.

01 / Mobile Winner: Professional Trading Platform

The Company independently developed the “Mobile Winner” APP, which integrates trading functions for domestic and foreign equities, futures, and options. It features stability, speed, and diversified trading tools, enabling customers to customize conditions and execution habits according to their strategies, thereby improving order execution efficiency and operational flexibility. In addition, the platform provides real-time market information and analytical tools, helping customers capture market dynamics and maintain control over information and strategies in the rapidly changing trading environment.

02 / Capital Securities Eagle APP: Integrated Management Platform

The Capital Securities Eagle APP serves as an integrated digital financial management platform, functioning like both a “sales representative assistant” and a “customer assistant.” It enables users to simultaneously review transaction details, profit and loss information, and asset allocation ratios across multiple products such as securities, domestic and foreign futures and options, sub-brokerage, trusts, warrants, and bonds. With its visualized presentation, users gain a clear understanding of current asset allocation and investment planning, establishing a stronger foundation for precise investment decisions.

07 / Achievements in Digital Penetration

Through the continued integration of digital financial applications within its smart digital ecosystem, the Company has steadily increased its digital order penetration rate. In 2024, the electronic trading ratio reached 83%, demonstrating significant effectiveness in promoting adoption and reflecting customers’ strong recognition of the stability, user-friendliness, and diversity of the Company’s digital financial services.

The Company’s pursuit of digital finance also balances the requirements of financial inclusion. To meet the financial service needs of different generations, the Company will continue to refine application design along four key dimensions: simplicity of operation, real-time data, service integration, and personalized experience, thereby embodying a human-centered spirit in financial technology.

06 / Development of Intelligent Tools

The Company has expanded the digital application of its **Smart Strategy Hub** and **Strategy Building Blocks Tools**. The former allows customers to personalize planning or use built-in strategy-based stock selection functions to easily design investment strategies. The latter empowers both employees and customers to design program logic based on their strategic thinking, even without programming skills, through a visual interface that makes it easy to build intelligent services. These efforts advance the dual vision of inclusive finance and digital equity.



6.4.4 Digital Transformation of Operations and Processes



In light of the vast and increasingly complex securities operations, the Company recognizes that enhancing operational efficiency and accuracy plays a critical role in improving financial service quality, managing operational risks, and achieving sustainable development goals.

Accordingly, the Company actively implements digital technology tools such as Robotic Process Automation (RPA) to expand application scenarios in daily account reconciliation, cross-border settlement, data verification, and document processing. Manual and repetitive tasks are transformed into digitalized and automated processes. Through the digital transformation of operations and workflows, the Company effectively controls operational error risks, maintains management records, reduces manual workload, and reallocates human resources. This has resulted in an average reduction of more than 30% in processing time, further strengthening operational resilience and enhancing the customer service experience.

Building upon process automation as the foundation, the Company integrates three major objectives—internal control enhancement, operational efficiency, and technological innovation—to continuously promote the digital upgrade of operations. Moving forward, the Company will expand applications based on business characteristics and market demand, establishing a digital operations platform that balances efficiency, flexibility, and risk management capabilities, thereby realizing a sustainable financial value chain of “smart operations and precise services.”

6.4.5 Implementation of Inclusive and Green Finance

As digital technology accelerates the transformation of financial service models, the Company focuses not only on digital innovation but also regards inclusive finance and green finance as dual core values of corporate sustainability. By offering digital financial services that are easy to access, use, and understand, the Company aims to eliminate financial disadvantages, promote digital equity, reduce the environmental burden of paper-based processes, and fulfill its vision of achieving sustainability through technology.

1. Expansion of Digitalization Processes

The Company promotes a “data non-retention” strategy, completing operational processes via digital platforms and workflows. This approach, combined with layered access control and audit trail records, ensures the protection of personal data during digital processing while balancing efficiency and privacy, in compliance with the principle of fair treatment of customers. Moreover, the Company strengthens its real-time notification mechanism, enabling both customers and business representatives to track progress instantly, enhancing transparency and customer experience. These efforts ensure that clients of different age groups and levels of digital literacy can complete account opening smoothly, thereby embodying the spirit of inclusive financial services. Ultimately, the full adoption of end-to-end digital processes—without the need for paper-based forms or physical submissions—covers activities such as securities, sub-brokerage credit checks, and credit limit reviews. This significantly reduces the use of physical documents and storage space, embodying the spirit of environmental protection.

2. Deepening Digital Finance Applications

In response to the national digital governance policy, the Company not only joined the MyData Digital Identity Integration Program but also expanded its application fields. This allows customers to verify identity and retrieve necessary information directly through the national MyData platform, without needing to visit agencies in person or manually upload supporting documents. This enhances efficiency and simplifies procedures, achieving the following benefits that reflect the “safety-based” and “people-oriented” spirit of friendly services in digital finance:

- [Reduction of paper applications and document exchanges.](#)
- [Lower time costs and administrative burdens for customers.](#)
- [Increased process automation, freeing up human resources.](#)
- [Enhanced accuracy and completeness of operations.](#)
- [Strengthened levels of information security and personal data protection.](#)

6.4.6 Professional Recognition and Industry Achievements

The Company’s promotion of digital finance not only focuses on innovation in financial services for operational activities and processes but also places great importance on customer recognition and evaluation of execution results. In recent years, the Company’s efforts and innovations in digital finance have been consecutively recognized with prestigious industry awards and high customer evaluations, fully demonstrating the sustainable value of its digital finance strategy.

■ Recipient of Three Major Awards at the 2024 Digital Finance Awards

At the 2024 Digital Finance Awards, the Company received three major honors for its outstanding performance in digital account opening, intelligent trading, and differentiated services:



Digital Service Award

The intelligent service application Capital Securities Eagle APP integrates multiple convenient tools into a single platform, designed as a “sales assistant” and “customer assistant” to provide users with a smarter AI service. It offers account integration, investment target selection, personalized financial information, and intelligent push notifications, enabling ordinary users to enjoy a more convenient and efficient trading experience.



Digital Fair Treatment Award

The Capital Easy Loan business system, which provides unrestricted-use loans, includes listed stocks and popular, highly traded ETFs as lending collateral categories. Internal risk classifications are performed, followed by tiered interest rates, allowing participating customers to easily and quickly operate within the Capital Easy Loan system.

The platform also addresses the digital gap for senior citizens and individuals with disabilities by offering simplified interfaces, larger fonts, accessible service sections with dedicated support, and easy-to-use application interfaces for trading and services—ensuring a seamless and inclusive financial experience.



Digital Information Security Award (Anti-Fraud Category)

Enhancing cybersecurity capabilities comprehensively from organizational structure and talent training to platform maintenance, the Company has built multi-level data protection, risk management, and security control systems. In January 2024, the Company became the first securities firm in Taiwan to obtain ISO 27001:2022 certification. By strengthening abnormal transaction monitoring and automated anti-phishing detection systems, the Company has effectively prevented fraudulent activities, showcasing its achievements in building a secure digital trading environment for financial stability and customer data protection, thereby enhancing trust among society and customers.

■ “Brokerage Client Recommendation Excellence Award”

At the 2024 Taiwan Financial Award, the Company was honored with the Brokerage Client Recommendation Excellence Award, making it one of the few in the industry recognized by both professional judges and actual customer satisfaction. This recognition, based on user feedback surveys, business performance, and service innovation indicators, highlights the Company’s long-term commitment to digital finance service stability, information transparency, and customer communication quality, earning widespread trust and a strong reputation.

■ Data-Driven Results Validating Transformation Effectiveness

To validate the effectiveness of its digital strategies, the Company monitors various indicators to assess user growth and customer engagement in digital financial services, using trend analysis to guide its direction and action plans.

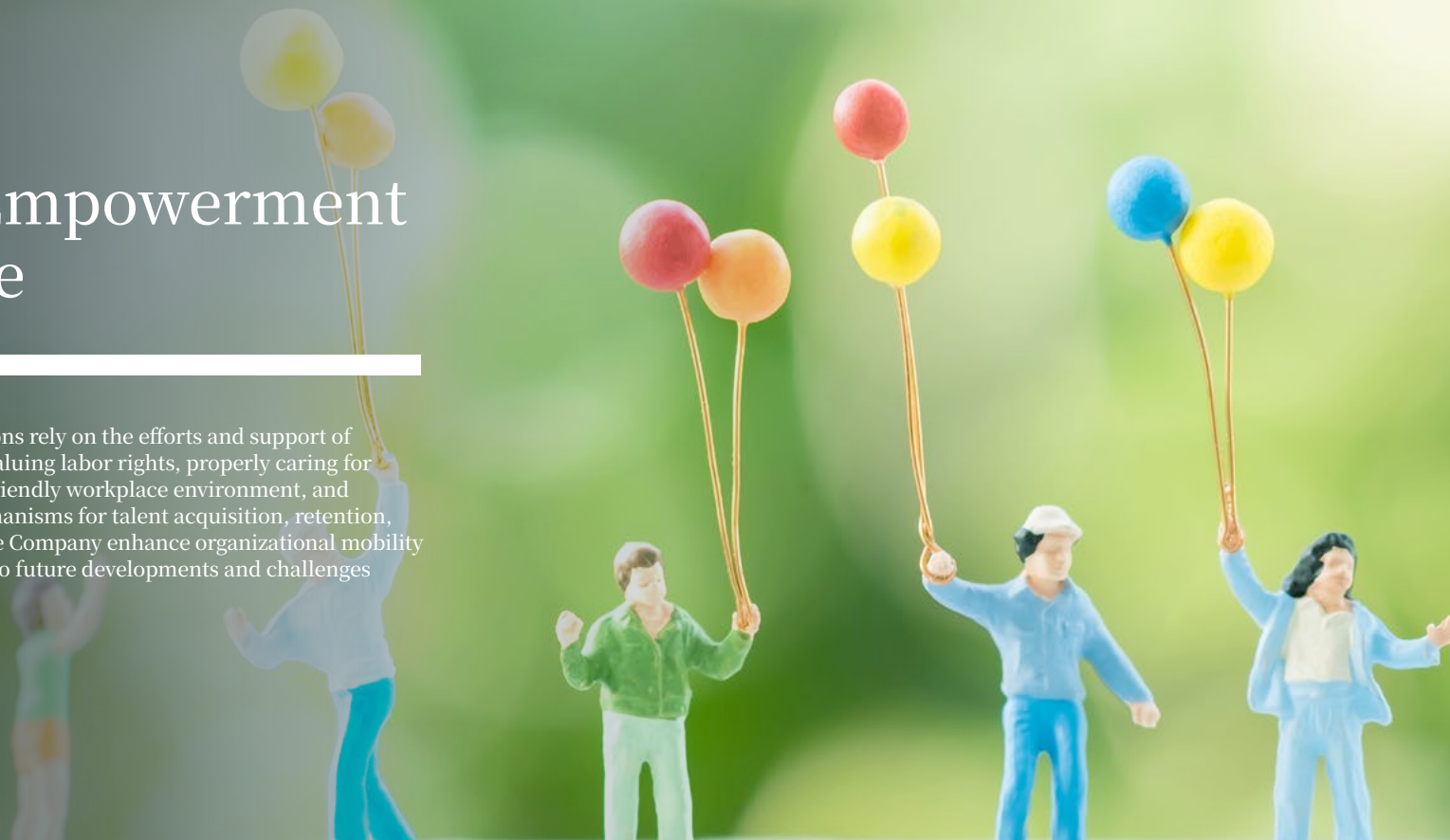
- The electronic order ratio has exceeded 83%.
- Following the launch of Account Opening 2.0, account openings among customers under the age of 30 increased by 12% compared to the same period last year.
- Followers of the Company’s official Line account surged from 700 to more than 5,000.

The Company continues to uphold its goal of “practicing inclusive and green finance through digital technology.” By leveraging technology to drive financial service innovation, deepening data applications, and enhancing customer experiences, the Company advances along the path of sustainable financial services based on integrity, responsibility, and innovation, striving to align financial services with a people-centered vision of sustainability.



Talent Empowerment and Care

The Company's operations rely on the efforts and support of its employees. Only by valuing labor rights, properly caring for employees, fostering a friendly workplace environment, and establishing sound mechanisms for talent acquisition, retention, and development can the Company enhance organizational mobility and effectively respond to future developments and challenges



7.1 Employee Rights Protection

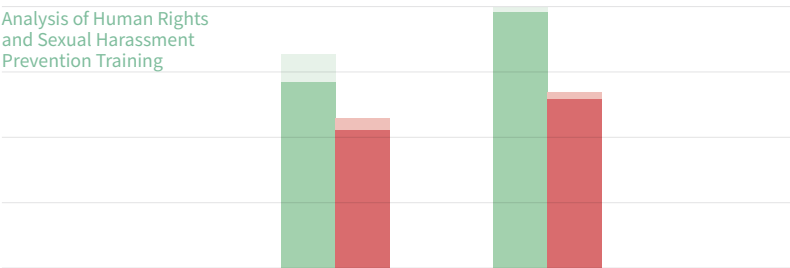
7.1.1 Human Rights Policy and Commitment

The Company firmly believes that employees are the core driving force behind its success. They are not only key contributors to business operations but also essential assets in shaping the Company’s brand image and sustainable growth. To demonstrate this commitment, the 12th Board of Directors, at its 3rd meeting, formally approved the Human Rights Policy, affirming strong support for and implementation of international human rights standards, including the Universal Declaration of Human Rights, the International Bill of Human Rights, the UN Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work, and other ILO conventions, while strictly complying with all domestic labor regulations.

The commitment to human rights protection is not only the foundation for policy-making and implementation but also the driving force for overall human rights management. The Company strives to create a fair, diverse, and respectful workplace environment, adhering to the Labor Standards Act and other relevant regulations. It ensures that during recruitment, employment, and treatment, there is no discrimination based on race, social class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical or mental condition, astrological sign, blood type, or past union membership. Furthermore, the Company strictly prohibits all forms of exploitation or unlawful hiring practices.



QR Code for Human Rights Policy



Training Program	2023		2024	
	Total Hours	Completion Rate	Total Hours	Completion Rate
Human Rights Policies or Procedures Training	802	87%	979.5	98%
Sexual Harassment Prevention Training	560.3	92%	660	96%

In 2024, training hours on human rights policies and procedures (including the two international covenants, labor rights, child and youth protection, health, and freedom of association) totaled 979.5 hours, with a completion rate of 98%, a significant increase compared to 87% in 2023. Meanwhile, sexual harassment prevention courses totaled 660 hours, with a completion rate of 96%, also improving from 92% in 2023, reflecting the Company’s continuous investment in and emphasis on human rights education.

Looking ahead, the Company will continue to strengthen its supervisory mechanisms to ensure that labor policies are effectively implemented, protecting employees’ fundamental human rights from infringement and contributing to the achievement of the Company’s sustainable development goals.

The Company is committed to building a diverse and inclusive work environment, believing that employees with different backgrounds, perspectives, and experiences can bring innovative ideas and competitive advantages. It values diversity and strives to foster a workplace that respects differences, ensuring that all employees receive equal opportunities and fair treatment.



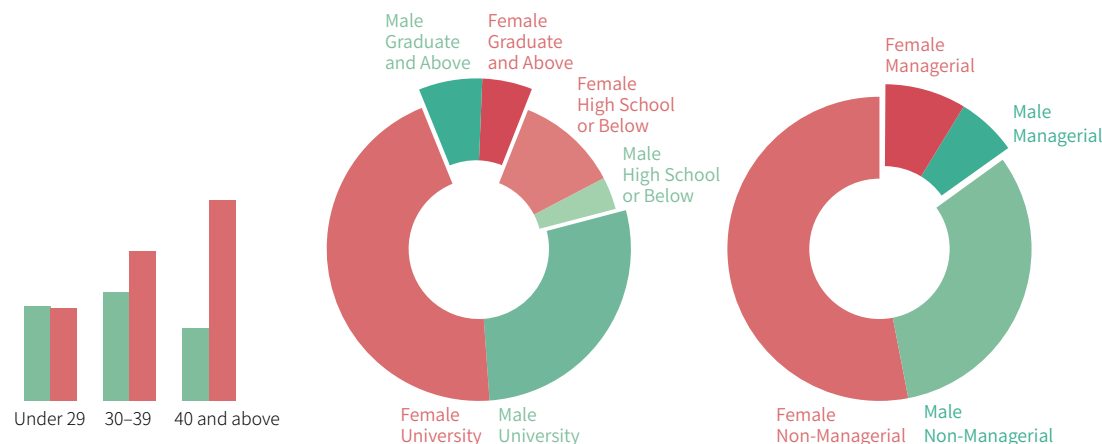
7.1.2 Diversity, Inclusion, and Workplace Equality

■ Implementation of Diversity and Inclusion

As of the end of 2024, the Company had a total of 1,995 employees, representing an 8% increase compared to 1,847 employees in 2023, demonstrating a steady growth trajectory. The age distribution of employees reflected a balanced structure: 25.96% under 30 years old, 35.89% between 30 and 50 years old, and 38.15% above 50 years old, ensuring equilibrium among generational cohorts and enabling the organization to balance experience transfer, generational succession, and sustainable innovation.

In terms of educational attainment, 85.06% of employees hold a college degree or above, with 12.08% holding a master's degree or higher, highlighting the high caliber and professional capacity of the workforce. Of particular note, the Company actively promotes gender equality in management positions, with 57.3% of managerial roles (172 individuals) held by women, underscoring the importance of women's leadership in the workplace.

To further deepen a culture of diversity, equality, and inclusion, the Company hosted the "Capital Senior Executive Consensus Camp" in 2024, inviting independent directors to join in adversity leadership and disability experience activities. Through firsthand participation, senior management gained a deeper understanding of the daily challenges faced by individuals with disabilities, enhancing empathy and reinforcing their commitment. This initiative has also strengthened the Company's ability to foster a more inclusive workplace environment and translate social responsibility ideals into concrete policies and resource investments.



Analysis of Workforce Diversity Structure				2022				2023				2024			
				Male	Female	Total (%)		Male	Female	Total (%)		Male	Female	Total (%)	
Age	Under 29			243	237	480 (25.49%)		216	231	447 (24.20%)		262	256	518 (25.96%)	
	30-39			266	452	718 (38.13%)		277	409	686 (37.14%)		301	415	716 (35.89%)	
	40 and above			181	509	690 (36.65%)		189	525	714 (38.66%)		202	559	761 (38.15%)	
	Subtotal			690	1,198	1,888 (100%)		682	1,165	1,847 (100%)		765	1,230	1,995 (100%)	
Education	High School or Below			78	239	317 (16.79%)		65	224	289 (15.65%)		72	226	298 (14.94%)	
	University			495	864	1,359 (71.98%)		493	842	1,335 (72.28%)		558	898	1,456 (72.98%)	
	Graduate and Above			116	95	211 (11.18%)		124	99	223 (12.07%)		135	106	241 (12.08%)	
	Subtotal			690	1,198	1,888 (100%)		682	1,165	1,847 (100%)		765	1,230	1,995 (100%)	
Job Category	Managerial			86	95	181 (9.59%)		84	97	181 (9.80%)		128	172	300 (15.04%)	
	Non-Managerial			604	1,103	1,707 (90.41%)		598	1,068	1,666 (90.20%)		637	1,058	1,695 (84.96%)	
	Subtotal			690	1,198	1,888 (100%)		682	1,165	1,847 (100%)		765	1,230	1,995 (100%)	
Employee Contract	Full-time	North		538	846	1,384 (73.31%)		540	815	1,355 (73.36%)		627	994	1,621 (81.25%)	
		Central		56	157	213 (11.28%)		57	153	210 (11.37%)		66	103	169 (8.47%)	
		South		82	190	272 (14.41%)		75	186	261 (14.13%)		62	126	188 (9.42%)	
	Part-time	North		14	5	19 (1.01%)		10	11	21 (1.14%)		10	7	17 (0.85%)	
		Central		0	0	0 (0.00%)		0	0	0 (0.00%)		0	0	0 (0.00%)	
		South		0	0	0 (0.00%)		0	0	0 (0.00%)		0	0	0 (0.00%)	
	Subtotal	North		552	851	1,403 (74.31%)		550	826	1,376 (74.50%)		637	1,001	1,638 (82.11%)	
		Central		56	157	213 (11.28%)		57	153	210 (11.37%)		66	103	169 (8.47%)	
		South		82	190	272 (14.41%)		75	186	261 (14.13%)		62	126	188 (9.42%)	
		Subtotal in Taiwan		690	1,198	1,888 (100%)		682	1,165	1,847 (100%)		765	1,230	1,995 (100%)	
Other	Foreign Nationals			1	0	1		1	0	1		1	1	2	
	Employees with Disabilities			N/A	N/A	N/A		7	5	12		8	5	13	

Note 1: Data as of December 31 of the reporting period.

Note 2: No material changes in the total number of employees during the reporting period.

Note 3: Employees with disabilities include general employees and visually impaired massage therapists.

Note 4: The Company does not employ workers without guaranteed working hours.

Analysis of Non-Employee Workers

Note 1: Data as of December 31 of the reporting period.

Note 2: No material changes in headcount during the reporting period.

Category	Total
Interns	125
Contractors	10
Cleaners	4



■ Equality and Inclusion Measures

The Company's business philosophy is founded on fostering an inclusive workplace environment. In terms of recruitment, applications are welcomed from all groups, ensuring equal opportunities in applying, selection, compensation, promotion, and job execution, thereby allowing all employees to fully demonstrate their capabilities. Furthermore, the Company has built comprehensive accessibility facilities, including ramps and elevators, to ensure that every employee can freely enter and exit Company premises. In 2024, the Company employed 13 employees with disabilities, compared to 12 in 2023.

With respect to pay equity, the Company continues to advance the principle of equal pay for equal work, without gender-based differences. In 2024, the ratio of male-to-female base salaries for managerial positions was 1.18:1, showing slight improvement from 1.19:1 in 2023. For non-managerial positions, the male-to-female base salary ratio was 1.05:1, remaining within a reasonable level. For new hires, the ratio was 1.03:1, reflecting the Company's ongoing commitment to ensuring pay equity.

Analysis of Male-to-Female Base Salary Ratios

Job Category	2023	2024
Managerial	1.19:1	1.18:1
Non-Managerial	1.04:1	1.05:1
New Hires	1.09:1	1.03:1

*Note: Ratio formula = (Average monthly base salary of male employees ÷ Average monthly base salary of female employees); female salary = 1.

Moreover, under the philosophy of "promoting gender equality, maternal protection, and work-life balance," the Company provides comprehensive gender equality and family care support measures:

- 01 Pregnant employees may apply for job reassignment to lighter and suitable tasks within their unit, ensuring both their employment rights and health are safeguarded.
- 02 Support for nursing mothers includes the installation of breastfeeding/lactation rooms across business locations for employees with children under two years old.
- 03 Flexible childcare arrangements allow employees with children under three years old to apply for shift adjustments or reduce daily working hours by one hour. Employees with more than six months of service may also apply for parental leave without pay until the child reaches three years old.
- 04 Family care leave has been increased from seven to fourteen days annually, enabling employees to devote more time to caring for and accompanying family members, without affecting performance appraisals or incurring adverse treatment.
- 05 Assisted reproductive care leave is available for female employees undergoing fertility treatments who experience physical discomfort during subsequent procedures. Up to two days of leave per year are granted, with full salary maintained, demonstrating the Company's care for female employees.

These measures not only enhance employee satisfaction but also create a friendly and inclusive workplace environment, enabling employees to strike a balance between career and family, and to dedicate themselves wholeheartedly to their work.



7.1.3 Labor-Management Communication Mechanism

The Company values employees' opinions and perceptions regarding organizational development and various operational matters. It is committed to providing open and diverse communication channels and grievance mechanisms to ensure that every employee's voice is heard, opinions are properly addressed, and harmonious labor-management relations are promoted. Furthermore, when matters involving significant employee rights, such as dismissal or salary adjustment, are concerned, the Company strictly adheres to the notice periods required by local labor laws.

■ Diverse Communication Platforms

The Company has established multiple communication channels and, with an encouraging attitude, welcomes employees to express suggestions, clarify doubts about life or work, or raise other rights-related concerns. These channels include direct communication avenues, the employee suggestion mailbox, the Employee Welfare Committee, labor-management meetings, and the sexual harassment complaint hotline. Communication methods cover emails, phone calls, and direct appointment-based interviews, ensuring employees can choose the most suitable communication method according to their needs.

Direct Contact Hotline

Management Department – Human Resources Office

Tel: (02) 8789-8888 ext.7121

To ensure that employees can easily and promptly express opinions or suggestions, the Company regularly or irregularly conducts awareness campaigns to remind employees of the available communication and grievance mechanisms, encouraging them to use these channels confidently.



Employee Suggestion Mailbox

The Employee Suggestion Mailbox is an important platform for encouraging employees to actively provide suggestions, improve operational processes, and promote beneficial reforms. The Management Department Human Resources Office has established the Guidelines for Using the Employee Suggestion Mailbox and related procedures, serving as the primary handling unit.

Proposal directions may cover the following three main areas:

- A. Substantiated and practical suggestions for innovation or improvement regarding business content, operational processes, administrative measures, regulations, and risk control.
 - B. Issues arising from other employees' unlawful behavior, abuse of power, discrimination, or improper treatment that infringe upon individual legal rights, affect personality, freedom, dignity, physical or mental health, personal safety, or work.
 - C. Other matters related to official duties or the protection of individual legal rights, deemed necessary and supported by evidence.
- A. Personnel handling proposals submitted through the employee suggestion mailbox have an obligation of confidentiality regarding the content and the employee involved. Any violation of the confidentiality principle, once verified, will be referred to the Human Resource Review Committee and handled in accordance with relevant work regulations.
 - B. All submissions to the employee suggestion mailbox are encrypted during transmission and storage to prevent interception or unauthorized access. Authorized personnel must use specific accounts, passwords, and authentication certificates to view related information.
 - C. Accepted proposals may, if necessary, be forwarded anonymously to relevant departments for investigation, evaluation, or discussion. If the proposal involves departmental or individual operational processes that could affect the Company's risk control, or jeopardize operations or efficiency, the President will approve forwarding it to the risk management and audit units for inspection and recommendations for improvement, which will then be reported to the Chairperson.



The rights of the proposer are fully protected during the process, with rigorous confidentiality mechanisms supervised by the Auditing Department to ensure integrity:



Labor-Management Meetings

In accordance with the Regulations for Implementing Labor-Management Meetings, the Company convenes labor-management meetings every quarter. In 2024, a total of four meetings were held to coordinate labor-management relations, enhance work efficiency, and strengthen cooperation and communication between both parties.

Labor-management representatives are composed of an equal number of employer and employee members. Employee representatives are directly elected by employees to ensure that the voices and needs of grassroots employees are authentically reflected. Meetings include comprehensive discussions on employee trends, business plans and operations, labor-management relations, cooperation initiatives, working conditions, employee welfare planning, work efficiency, and workplace environment.

Key discussion topics during the 2024 labor-management meetings included self-funded vaccination and travel subsidies, employee salary adjustment progress, welfare measures for hiring visually impaired massage therapists, and corporate social responsibility activities. After thorough communication, multiple consensuses were reached, which were subsequently incorporated into Company policy adjustments. These outcomes not only demonstrated the substantive results of labor-management negotiations but also highlighted the role of labor-management meetings as an important venue for information exchange, joint consultation, and problem resolution, effectively fostering mutual trust and collaboration and laying a solid foundation for a friendly workplace environment.



Employee Welfare Committee

In accordance with labor regulations, the Company has registered and established an Employee Welfare Committee with the competent authority to provide colleagues with various care and welfare fund applications, such as subsidies for weddings and funerals, hospitalization and surgery, childbirth, travel activities, natural disaster relief, and emergency assistance.

Committee members are elected from among employees with professional expertise and strong communication skills. They are responsible for conducting special discussions on welfare measures, work-related issues, and employee well-being matters, as well as collecting feedback to relay to Company management.

In 2024, the Committee convened three meetings. In addition to routine reviews of welfare items and examination of welfare fund utilization efficiency to ensure reasonable resource allocation and maximized employee benefits, the Committee actively promoted new measures. These included increasing the annual travel subsidy, adding subsidies for psychological counseling services, and organizing Taiwanese film watching events to enhance camaraderie and cohesion among employees and to promote work-life balance.

Furthermore, in line with the principle of transparency, the Committee discloses implementation status and fund utilization through the Company's internal website. In 2024, with sufficient funding available, the Company was able to sustain and expand employee care and welfare measures, which received strong recognition from employees.



Workplace Sexual Harassment Prevention Mechanism

The Company strictly prevents workplace sexual harassment to safeguard the rights and interests of all employees by establishing a comprehensive prevention mechanism and handling procedures. The Company formulated the "Regulations on Complaints and Punishments for Measures to Prevent Sexual Harassment at Workplace", which clearly defines the types of sexual harassment behaviors, including insults arising from gender differences, inappropriate sexual remarks or conduct, offers of sexual favors in exchange for benefits, and the display of sexually suggestive images or texts.

At the same time, the Company has set up a dedicated sexual harassment complaint channel,

Hotline:
Management Department, Human Resources Office
(02) 8789-8888 ext. 7121

allowing employees to file complaints anytime and anywhere. All complaints are handled in strict confidentiality to protect the privacy and rights of the complainant.

To properly handle such complaints, the Company has established a Sexual Harassment Complaint Committee, appointed by the President and composed of one chairperson and three employer representatives, together with three employee representatives recommended by labor representatives of the labor-management meeting. The number of female members must not be less than half to ensure gender equality. In principle, investigations of complaints must be concluded and results delivered within two months; if necessary, the period may be extended by one month with notification to the parties involved.

In 2024, the Company further strengthened sexual harassment prevention measures, including:

A Managerial Training: Special training was provided to executives at all levels to enhance their responsibilities and capabilities in preventing and handling workplace sexual harassment incidents, building a top-down anti-harassment culture.

B Diverse Education and Training: A total of 12 sexual harassment prevention training sessions were conducted, covering both in-person and online formats to ensure participation at all levels. Training content included recognizing harassment behaviors, legal responsibilities, prevention measures, and promoting complaint channels, significantly raising employee awareness and preventive consciousness.

In 2024, total sexual harassment prevention training hours reached 660, with a completion rate of 96%, demonstrating employees' increased understanding and importance of sexual harassment prevention.

C Awareness Campaigns: Prevention awareness was continuously promoted through internal newsletters, posters, the Company's intranet, and regular email reminders, fostering a respectful and equitable workplace environment.

D Enhanced Complaint Handling Mechanism: The complaint process was refined to include standardized procedures for case acceptance, investigation, review, resolution, and follow-up, ensuring cases are handled promptly and fairly.

In summary, when handling sexual harassment complaints, the Company adheres to the principles of confidentiality, fairness, and objectivity. Investigations are conducted by dedicated personnel, results are provided within the prescribed period, and necessary assistance and protection are offered to the parties involved.





Workplace Violence Complaint Committee

To prevent workplace violence and protect employees from improper treatment or violent incidents while performing their duties, the Company revised the “Prevention Plan for Unlawful Infringement during the Execution of Duties.” This plan clearly defines workplace violence, including physical violence, psychological violence, verbal abuse, sexual harassment, and stalking, and specifies the responsibilities of relevant personnel and departments. It also establishes a comprehensive risk assessment and control mechanism, which is regularly reviewed and improved to ensure the effectiveness of preventive measures.

Furthermore, the Company established a Workplace Violence Complaint Committee to prevent employees from being subjected to improper treatment by supervisors or colleagues who misuse their authority or position, or from being physically assaulted, verbally abused, intimidated, or threatened by customers, clients, or other related individuals, which could result in mental or physical harm or even endanger their lives.

The Workplace Violence Complaint Committee is composed of the heads of the Auditing Department and Compliance and Legal Division, senior managers of relevant departments, and general employees. This ensures a balanced representation across rank, identity, and gender. Currently, 42.9% of the committee members are non-management staff (employee representatives), and more than half are women, thereby guaranteeing diverse perspectives and fairness in complaint handling.

The Committee has established clear standardized procedures for handling unlawful infringement incidents, covering reporting, complaint acceptance, investigation, case closure, and follow-up improvement measures. All proposals are deliberated and resolved by the committee members before being submitted to the Chairperson of the Board for approval.



Through these diverse communication and complaint mechanisms, the Company not only promptly resolves employee issues but also continuously strengthens institutional frameworks and processes, creating a friendlier and more equitable workplace environment. This, in turn, fosters harmonious labor relations and facilitates the shared growth of both the Company and its employees.



7.2 Talent Development Accelerator

7.2.1 Comprehensive Professional Training Program

The Company is committed to promoting employees' professional and skill development at all stages through comprehensive and diversified training programs. The Company provides solid learning channels to advance toward the strategic development of digital technology, financial advisory, and green sustainability talents. With flexible course combinations, adjustable learning schedules, and a wide range of professional categories, the Company has built a complete competency development system.

In 2024, the total training hours reached 94,830 hours, averaging 48 hours per employee. Among these, managers averaged 59 training hours, and non-managerial staff averaged 46 training hours, demonstrating the Company's strong emphasis on talent development.

The Company organizes training programs tailored to different departments and job functions to enhance employees' professional capabilities, thereby building a comprehensive job competency training system. The core of training revolves around multiple areas, particularly designing a series of programs that meet the needs of employees at different career stages:

Statistics of Training Hours

Category	Average Hours
Managerial Staff	58.85
Non-Managerial Staff	45.53
Male Employees	44.97
Female Employees	49.13
Internal Training	32.85
External Training	15.80



Internship Training Program

Provides diverse courses delivered by professional lecturers, colleagues through project experience, and knowledge-sharing sessions, along with practical training opportunities to help students bridge theory and practice. In 2024, a total of 166 participants joined (125 interns and 41 part-time workers). Outstanding performers were given opportunities to convert into full-time employees, achieving seamless industry-academia collaboration.



New Securities Specialist Training

Adopts a four-stage intensive training model to ensure that new hires acquire the necessary professional knowledge and skills. In 2024, 127 participants enrolled, with 115 completing the program, representing a completion rate of 90.5%. Assessments and business performance evaluations were conducted after the program to verify learning effectiveness.



Reserve Counter Managers and Managerial Officers Training

Focused on fostering cross-department collaboration and managerial skills through project reports and practical management training. In 2024, 12 participants completed the program, with all 12 promoted, achieving a 100% promotion rate, reflecting the strong link between training and career advancement.



Digital Learning and Certification Support

To enhance learning convenience and efficiency, the Company established an E-learning digital platform offering a wide range of courses, including information security, personal data protection, occupational health and safety, anti-money laundering and counter-terrorism financing, and regulatory compliance.

The Company strengthened communication channels such as the official LINE account to facilitate interactions with trainees. It also implemented post-course satisfaction surveys and feedback collection using the SurveyCake cloud questionnaire service, improving convenience for participants and ensuring accurate understanding of their needs and perceptions.

Furthermore, to encourage employees to obtain professional certifications, the Company provides incentives for passing professional exams and subsidies for examination registration fees, supporting employees in acquiring relevant financial licenses according to job requirements.



Internal and External Training

Each department plans and implements training programs based on specific business needs, regularly inviting experts and scholars to cover key areas such as marketing, financial management, and sustainability. Departments are also encouraged to organize internal seminars and experience-sharing sessions, enabling employees to stay informed about market trends and foster opportunities for team growth.

At the same time, employees are encouraged to attend external training programs, such as those offered by the Taiwan Academy of Banking and Finance and other professional institutions, to further enhance their financial expertise and business skills.

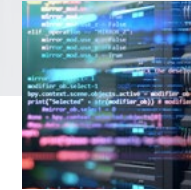


Compliance Training

In 2024, the Company designed 19 compliance courses per employee, totaling more than 13 training hours. The training covered multiple aspects, including:

- Regulations that must be followed when performing business activities.
- Tests on new and amended regulations in the first and second halves of the year.
- Anti-money laundering (AML) and counter-terrorism financing (CTF) training for senior management.
- Regulations related to ethical corporate management.
- Regulations regarding related parties and insider transactions.
- Incident response drills for personal data breaches.
- Prohibited conduct for securities practitioners.
- Training on dispute resolution processes.
- Financial Consumer Protection Act and Fair Treatment Principles.
- Regulations on material information and insider trading.
- Anti-fraud awareness training.
- Regulations related to account opening and trading.

Furthermore, regarding fair treatment training, in 2024 all directors, responsible persons, senior managers, and full-time employees were required to attend the course on “Friendly Finance and the Protection of Disadvantaged Groups.” The participation rate was 100% for directors, responsible persons, and senior management, and 98% for full-time employees, reflecting the Company’s strong commitment to friendly and fair financial services.



Robotic Process Automation (RPA) Training

To enhance work efficiency and keep pace with digital transformation, the Company actively promotes the implementation of Robotic Process Automation (RPA). The RPA training program focuses on practical skills development, covering basic concepts of RPA, automated process design, and real project applications. Employees across different departments are encouraged to apply automation technology extensively in internal operations and workflows.

By introducing RPA, the Company has successfully automated processes such as report generation and integration, data verification and reconciliation, and customer data maintenance. This has significantly improved efficiency, reduced human error, shortened processing time, and allowed employees to focus more on high-value work requiring creativity and critical thinking. Moving forward, the Company will continue to expand RPA training programs, increase automation coverage, and further enhance overall operational efficiency.

7.2.2 Succession Planning and Development

The Company recognizes the critical importance of succession planning and talent development for sustainable business growth. A comprehensive system of talent cultivation and generational succession has been established, covering the full pipeline from campus talent development to senior executive training, thereby forming a systematic succession talent pool.

■ Campus Talent Development Strategy

To attract outstanding young talent into the financial industry, the Company implements a diverse range of campus cooperation programs:

A. Industry Lecturer Program: Professional lecturers are dispatched to business schools to deliver lecture courses. Executives from the Company's underwriting, business, trading units, and subsidiaries introduce the structure of capital markets, explain different securities business operations, and share practical experiences.

In 2024, the Company actively collaborated with several universities, co-hosting 46 courses across four universities. These courses not only delivered theoretical knowledge but also shared practical experiences, effectively promoting the dissemination and exchange of financial expertise and laying a solid foundation for students entering the financial industry in the future.

B. Campus Recruitment Activities: The Company directly engages with students on campus, providing first-hand information on the lifestyle, work responsibilities, and career development opportunities within the financial securities industry. By collaborating with prestigious institutions such as National Taiwan University and National Chengchi University, the Company aims to recruit top graduates as fresh talent.

C. Financial Internship Program: Through diverse internship channels, the Company enables students to gain early exposure to financial practices, enhancing adaptability and combining academic knowledge with hands-on experience. Key examples include:

National Sun Yat-sen University

Co-developed the course “**Practical Operations of Sustainable Asset Management**”, which included 11 sessions (33 hours) taught by senior executives from the Planning Department, Wealth Management Department, Derivatives Department, and Investment Research Department. The course content ranged from warrant trading and market analysis to digital marketing, providing a comprehensive financial knowledge framework.

National Chung Cheng University

Partnered on the “**Finance Seminar**” course, featuring a strong lineup of industry lecturers who provided professional training from capital markets and warrant trading to fundamental analysis.

Aletheia University

Collaborated on the “**Practical Asset Management**” course, designed to cover financial group structures and industry analysis, giving students a well-rounded perspective of the financial market.

Tamkang University

Partnered on “**Practical Operations of Sustainable Asset Management**”, offering a series of carefully designed courses taught by senior executives from various Company departments, reflecting the diversity of securities products.

Taiwan Mentorship Program

In cooperation with National Taiwan University, the Company provides internship positions, corporate mentors, and comprehensive internship programs to help students prepare for the workplace and plan their careers. Students gain substantive workplace experience during summer internships.

Industry-Academia Cooperative Internship

Collaborating with multiple universities, the Company enables students to experience financial practices early through internships. In 2024, 166 students participated, demonstrating the practical effectiveness of the program.

■ Reserve Managers Development System

To ensure the establishment of a strong management talent pipeline, the Company established “Capital Securities Financial University”, providing approximately three months of training courses for outstanding talents across the Group. The program covers cross-departmental coordination, presentation skills, leadership abilities, and teamwork development, with the goal of cultivating reserve cadres for future leadership roles.

The training emphasizes: gaining knowledge of each department’s business operations, regulations, vision, and core values; developing teamwork skills through group assignments; learning managerial knowledge required for leadership roles; and strengthening digital technology expertise.

Since its inception, a total of 542 participants have graduated, with 293 promoted to managerial positions, achieving a promotion rate of 54%, demonstrating the effective linkage between the training program and career development.



293 promoted / 542

■ Senior Management Talent Training



For senior executives, the Company regularly organizes senior executive operational meetings and professional training sessions, with content covering sustainable development, sustainable finance, anti-money laundering and counter-terrorism financing, corporate risk management, and ethical business practices. These programs enhance senior executives’ management capabilities and sustainability awareness, ensuring alignment between the Company’s development direction and global sustainability trends.

In addition, senior executives are evaluated on professional development as part of performance assessments. This includes financial indicators (such as profit achievement rate, profit growth rate, and securities market share growth rate) and non-financial indicators (such as strategic planning, leadership, ethical sustainable development, regulatory compliance, and risk management). These measures ensure that senior management achieves well-rounded development.

Through this comprehensive succession talent cultivation mechanism, the Company not only balances professional expertise, ethical integrity, and knowledge transfer but also continuously injects innovative vitality, builds competitive talent advantages, and ensures the Company’s long-term sustainable growth.

7.2.3 Sustainable Education and Training Blueprint



The Company recognizes the importance of cultivating financial professionals with sustainability thinking to strengthen its long-term competitiveness. In line with the competent authority's Green Finance Action Plan, the Company has established a comprehensive sustainable talent development program that integrates sustainability and green finance concepts into all aspects of employee training.

From six core directions—through internal and external training, e-learning, consulting, and professional certifications—the Company promotes employees' sustainable transformation. In 2024, the total budget invested reached NT\$23,053,610, described as follows:



Sustainability Awareness

Enhance employees' overall sustainability awareness, optimize resource utilization, and strengthen the Company's soft power.

To deepen employees' understanding of sustainability and green finance responsibilities, the Company not only invited external experts to assist in building a robust sustainability system but also encouraged employees to obtain sustainability finance certifications. In 2024, through collective training, regular employees with sustainability finance certification reached 3.47%, with plans to continue promoting the enhancement of sustainability literacy within the organization. Additionally, the Company acquired digital courses from external providers focusing on ESG and green finance, ensuring employees can update their knowledge in a timely manner.



Environmental Protection

Focus on net zero emissions, climate change, and other key issues to contribute to global ecological well-being.

Emphasizing net zero emissions and climate change, in 2024 the Company introduced the ISO 50001 international standard for energy management and obtained verification from the British Standards Institution (bsi). During the process, each department conducted seed training in energy management awareness and designated members to obtain professional certifications, thereby cultivating environmental protection talents.



Customer Service

Uphold fairness and care for vulnerable groups, demonstrating the Company's commitment to delivering high-quality services to clients. In practice, all employees are required to undergo at least 3 hours of training annually on fair treatment of customers.



Data Security

Build a secure data environment through compulsory 1.5 hours of training per quarter on information security and personal data protection.

The Company continues to increase the number of information security-related certifications and integrates personal data protection courses into assessments, ensuring that all employees maintain up-to-date professional knowledge. Furthermore, the Board of Directors attaches great importance to information security, conducting annual training sessions to strengthen professional awareness and supervision over the Company's overall implementation.



Financial Ecosystem

Promote inclusive finance and Friendly Finance, striving to grow together with clients while building a quality financial environment.

The Company organized inclusive and Friendly Finance courses on ethical business practices, covering topics such as the Financial Consumer Protection Act, Fair Customer Treatment Guidelines, and anti-fraud awareness. Each employee is required to receive an average of 4 hours of training per course. Additionally, in 2024, the Company established the Guidelines for Friendly Financial Services, requiring all employees to participate in at least 1 hour of training annually on Friendly Finance and the Convention on the Rights of Persons with Disabilities (CRPD).



Sustainable Operations

Embrace digital technology, practice integrity, and jointly build a sustainable society. The Company organized integrity management training courses covering multiple topics, such as securities regulations, compliance in business practices, ethical business conduct, the Regulations for the Handling of Business Disputes, restrictions on securities practitioners, disclosure of material information and insider trading regulations, and account opening and trading rules. Each employee was required to undergo approximately 1 hour of training per course, ensuring comprehensive awareness of sustainable operations.

7.2.4 Effectiveness Evaluation of Education and Training

The Company attaches great importance to the evaluation and tracking of training effectiveness. Different evaluation mechanisms are designed according to the nature of courses, not only ensuring that employees enhance their professional capabilities but also building systematic competency development and evaluation processes. This ensures that employees can continue to grow while adapting to changes in client needs, regulatory requirements, and financial market dynamics, thereby laying a solid talent foundation for the Company's sustainable development.

In 2024, the Company recorded a total of 94,830 training hours, including 65,281 hours of internal training and 29,549 hours of external training. The total training expenditure reached NT\$10,663,000, with 3,923 participants in external professional training and a total of 140 internal training sessions conducted.

Education and Training Statistics

	2023 Average Hours	2024 Average Hours	Change
Managerial Staff	61.89	58.85	(4.91%)
Non-Managerial Staff	48.45	45.53	(6.03%)
Male	45.22	44.97	(0.55%)
Female	53.53	49.13	(8.22%)
Regular	50.88	55.85	9.77%
Non-Regular	16.42	47.46	189%
Full-Time	50.88	55.85	9.77%
Part-Time	16.42	47.46	189%
Internal Training	32.49	32.85	1.11%
External Training	17.98	15.80	(12.12%)

Unit: Person/Hours

Note: The statistics are based on company-wide planned in-person/online courses and do not include department-level training organized by supervisors or employees' self-directed learning and development programs.

7.3 Incentive Compensation

7.3.1 Fair and Reasonable Compensation Structure

The Company has established a sound compensation policy, system, and program to ensure fairness and reasonableness in employee remuneration. This not only motivates employees to improve their work performance but also enables them to share in the Company's operating results. The Company believes that reasonable and competitive compensation is a key factor in attracting and retaining outstanding talent.

Employee Salary and Welfare Expenses Analysis

	2021	2022	2023	2024	YoY Growth
Salary Expenses	2,854,918	1,765,126	2,377,543	2,546,368	7.10%
Health and Labor Insurance Expenses	181,052	164,380	155,476	186,742	20.11%
Pension Expenses	97,407	90,397	79,279	96,463	21.67%
Other Welfare Expenses	59,408	51,927	53,930	91,664	69.97%
Total Employee Welfare Expenses	3,192,785	2,071,830	2,666,228	2,921,237	9.56%
Number of Employees	1,989	1,926	1,871	1,921	2.67%
Average Employee Salary Expenses	1,435.35	916.47	1,270.73	1,325.54	4.31%
Salary Expenses Growth Rate	41.37%	(38.17%)	34.70%	7.10%	-
Average Employee Welfare Expenses	1,605.22	1,075.72	1,425.03	1,521.00	6.73%
Welfare Expenses Growth Rate	39.53%	(35.11%)	28.69%	9.56%	-

Unit: in thousands of NTD

Note 1: Calculation period is from January 1 to December 31, 2024.
Note 2: The number of employees = annual average of month-end employee headcount + number of directors.
Note 3: Adjustments were made to salary expenses and welfare expenses in 2022.



■ Compensation Decision-Making Mechanism



The Company has established a comprehensive compensation governance mechanism, managed across different levels by the Board of Directors, the Remuneration Committee, and management units at various levels:

The Board of Directors, as the highest supervisory body, is responsible for discussing and approving compensation policies and systems, as well as the annual compensation plan, thereby providing strategic guidance for compensation management.

The Remuneration Committee, appointed by resolution of the Board of Directors, consists of no fewer than three members, with a majority of them being independent directors. As a functional committee under the Board, it exercises its authority on matters under discussion, issuing recommendations to the Board for review and approval, thereby ensuring professionalism and transparency in compensation decision-making.

In addition, the Company conducts regular reviews to ensure the fairness and reasonableness of its overall compensation policies and systems. These reviews take into account annual profitability, performance, the consumer price index, industry compensation benchmarks, and records of rewards and penalties, while also considering the reasonable correlation with regulatory compliance and operational risk. The Company ensures that compensation policies do not incentivize management or employees to take actions beyond acceptable risk tolerance in pursuit of remuneration. This comprehensive and equitable structure forms the basis for determining annual salary adjustments, year-end bonuses, and holiday bonus standards or programs.

Each year, the Company also conducts a performance evaluation of the Remuneration Committee. The evaluation results are submitted to the Board of Directors for review and improvement, serving as a reference for future member selection.

■ Correlation between Risk and Compensation Structure

The Company has designed differentiated compensation structures for various levels of personnel to ensure that compensation levels reflect responsibilities, capabilities, and market value:

Senior Management: Compensation is composed of fixed remuneration (salary, managerial allowances, and stipends) and variable remuneration (year-end bonuses and holiday bonuses). Determination factors include industry benchmarks, educational and professional background, position and responsibilities, performance, and reward or disciplinary records, while also considering the correlation with the Company's operating performance and risk profile. The Remuneration Committee reviews and submits the proposals to the Board of Directors for approval.

Managerial-Level and Above: Compensation consists mainly of salary and bonuses. Salary is determined based on industry benchmarks, job title, grade, educational and professional background, professional competencies, and responsibilities. Bonuses are determined based on managerial performance assessments, which include financial indicators such as profit achievement rate, profit growth rate, securities market share growth rate, wealth management achievement rate, cumulative profit achievement rate, and operating expense control ratio, as well as non-financial indicators such as business planning, leadership, work efficiency, professional knowledge, character, work attitude, ESG-related integrity and sustainability performance, compliance implementation, and risk control.

All salary and bonus determinations must be reviewed by the Remuneration Committee and submitted to the Board of Directors for approval or acknowledgment, ensuring fairness and transparency in management compensation.

General Employees: Salaries are approved by the President, in principle aligned with industry benchmarks. Variable compensation such as year-end and holiday bonuses is determined based on work performance, contribution to operations, and performance evaluations, thereby establishing a clear link between performance and compensation.

New Employees: Salaries are determined with reference to industry benchmarks, while also considering educational background, experience, and job responsibilities, ensuring that starting salaries are reasonable and competitive in the market. Gender does not create any differences in salary determination, thereby upholding the principle of equal pay for equal work.

Additionally, in accordance with the Company's Articles of Incorporation, 0.6% to 2% of annual profits must be allocated as employee remuneration, distributed in the form of either shares or cash, as resolved by the Board of Directors. Eligible employees from subsidiaries may also participate, demonstrating the Company's recognition and reward for employee contributions.

For 2024, the ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all other employees was 36.087 times; the ratio of the annual percentage increase in total compensation of the highest-paid individual to that of the median of all other employees was 0.098 times.

■ Retirement Plans and Support

The Company has established the Employee Retirement Guidelines to safeguard employees' post-retirement lives. Official employees (including appointed personnel) who have served for more than ten years and reached the age of fifty-five, or who have served for more than twenty years, may apply for early retirement under more favorable terms than those stipulated in the Labor Standards Act.

Employees who meet the legal requirements for voluntary or mandatory retirement may apply for retirement at any time. Retirement benefits are disbursed in accordance with the provisions of the Taiwan Labor Standards Act and the Labor Pension Act. The Company manages the funding and disbursement of retirement reserves through specific measures, including:

Retirement system under the Labor Standards Act:

Contributing 2%–15% of the total monthly salary of employees into a dedicated retirement reserve account at the Bank of Taiwan.

Labor Pension Act: Contributing 6% of each employee's monthly salary into their individual retirement account managed by the Bureau of Labor Insurance. For employees who choose to make voluntary contributions, the Company deducts the voluntary contribution rate from their monthly salary and remits it to the Bureau of Labor Insurance for deposit into their individual retirement account.

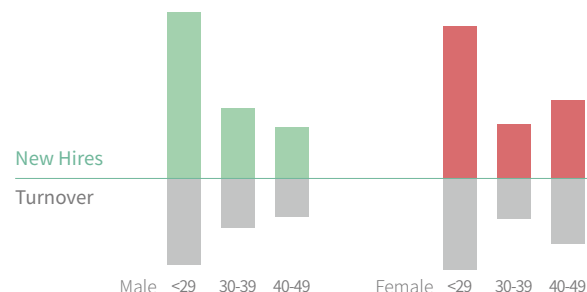
Senior Manager Retirement Calculation: Retirement benefits are calculated in accordance with the Employee Retirement Guidelines approved by the Board of Directors and disbursed within thirty days from the date of retirement.



In 2024 and 2023, the retirement expenses recognized under the defined contribution method amounted to NT\$96,463 thousand and NT\$79,279 thousand, respectively. A total of 41 employees retired in 2024, compared with 37 in 2023. The Company specially hosted retirement ceremonies to extend its sincere gratitude and blessings to long-serving colleagues who contributed to the Company's growth.

Through this fair and reasonable compensation structure, the Company not only attracts and retains outstanding talent but also effectively motivates employees to continuously improve their performance, grow together with the Company, and achieve the long-term objectives of sustainable development.

■ New Hires and Turnover Analysis



Gender	Age	Number of New Hire	New Hire Rate	Number of Departures	Turnover Rate
Male	29 and below	104	20.08%	54	10.42%
	30–39	44	15.38%	31	10.84%
	40 and above	32	4.65%	24	2.56%
	Subtotal	180	23.53%	109	14.25%
Female	29 and below	95	18.34%	57	11.00%
	30–39	34	11.89%	25	8.74%
	40 and above	49	7.67%	41	3.49%
	Subtotal	178	14.47%	123	10.00%

Note 1: The scope of the statistics covers Capital Securities Corp., with December 31, 2024 as the reporting period cutoff date.

Note 2: Subtotals are calculated using the number of employees in each category as the denominator. For example, the turnover rate for male employees is calculated based on the total number of male employees, and the new hire rate for employees aged 29 and below is based on the total number of employees in that age group.

Note 3: The total is calculated using the total number of employees as the denominator.



7.3.2 Linking Sustainability Performance

The Company firmly believes that integrating ESG performance into employee evaluations and compensation mechanisms is an effective strategy to drive organizational sustainability transformation. The Company has established a comprehensive ESG performance and compensation linkage system to guide employees at all levels in jointly advancing sustainability goals.

Since 2023, the Company has incorporated a number of sustainability indicators into departmental performance evaluation metrics (KPI) to ensure that ESG objectives permeate every level of the organization. At the same time, the Company has included the “Ethical and Sustainable Development (ESG)” indicator in individual employee evaluation forms, weighted at 5%–10%. The specific evaluation items include: (1) fulfilling the duty of care and fiduciary duty, (2) implementing fair and friendly services, (3) adhering to the Ethical Corporate Management Best Practice Principles, (4) awareness of cybersecurity and personal data protection, and (5) knowledge of sustainable development.

By directly linking departmental and individual sustainability performance evaluation results to performance ratings, bonus allocation, and promotion opportunities, the Company effectively incentivizes employees to actively advance sustainability initiatives and embed ESG concepts into daily operations.

To align corporate business objectives with sustainability development goals, the Company has revised the Performance Management Indicator KPI Implementation Regulations to design differentiated ESG performance indicators tailored to the characteristics of each department, ensuring both relevance and achievability of the objectives.

To guarantee that sustainability concepts extend beyond knowledge and are implemented in day-to-day operations, the Company has, since 2023, incorporated ESG elements into employee individual evaluation forms by introducing the “Ethical and Sustainable Development (ESG)” indicator, weighted at 5%–10%. The evaluation criteria cover multiple dimensions, including fulfilling the duty of care and fiduciary duty, implementing fair and friendly services, adhering to the Ethical Corporate Management Best Practice Principles, awareness of cybersecurity and personal data protection, and knowledge of sustainable development.

Furthermore, the Company has revised the Performance Management Indicator KPI Implementation Regulations to establish differentiated ESG performance indicators based on departmental characteristics, ensuring that sustainability objectives are embedded in the daily operations of each business unit. Departmental and individual sustainability performance evaluation results directly influence the allocation of departmental performance rating quotas and individual appraisal grades, which are in turn linked to bonus distribution and future promotion opportunities. This system effectively motivates all employees to actively implement sustainability development goals.

Performance Indicators

Securities Proprietary Trading Department	• Incorporate the three dimensions of Environmental Protection, Social Responsibility, and Corporate Governance into the evaluation of investee companies, and ensure they are documented in investment analysis reports. • Percentage of investment targets that meet sustainability criteria relative to total investment targets.
Futures Proprietary Trading Department	• Act as LP of ESG-themed ETFs or hold at least five ESG-themed ETFs each quarter.
Derivatives Department	• Act as LP of ESG ETFs or hold inventory of ESG ETFs.
Investment Banking Department	• Number of projects with ESG evaluation conducted, or number of ESG training sessions organized. • Percentage of investment targets that meet sustainability criteria relative to total investment targets.
Fixed Income Department	• Underwrite at least NT\$3 billion in TWD green bonds (ESG) every six months, with an annual target of NT\$6 billion. • Percentage of investment targets that meet sustainability criteria relative to total investment targets.
Planning Department	• Performance evaluation of the Board of Directors, Audit Committee, and Sustainable Development Committee. • Submit ESG information reporting system disclosures on a quarterly basis.
Registrar Agency Department	• Number of companies implementing E-meeting/E-notice.
Risk Management Department	• Climate change risk planning and TCFD financial disclosure. • Quarterly promotion meetings and reporting to the Risk Management Committee on climate-related financial disclosures. • Establish carbon emission reduction targets for the Company's investment and financing portfolios. • Respond to sustainable finance evaluation questions.
Finance Department	• Energy saving and carbon reduction: comparison of cumulative paper consumption as of the current month with that of the same period last year.
Wealth Management Department	• Number of ESG-themed products listed. • Number of employees participating in the Company's ESG-related activities, such as ESG courses, reading companionship, blood donation, campus lectures, road running, volunteering, and Earth Hour.
Settlement & Clearing Department	• Number of RPA processes implemented.
Information Tech. Department	• Effectiveness of implementing sustainable development and ESG promotion plans in: 1. Information security 2. Business continuity 3. Digital financial innovation technologies and services
Management Department	• Completion of third-party verification report on the Company's annual greenhouse gas inventory.
Auditing Department	• Energy saving and carbon reduction: ratio of cumulative annual printing and paper expenses to the cumulative printing and paper expenses of the previous year.



For senior managers, the Company closely links departmental ESG performance to variable compensation (year-end bonuses, performance bonuses, and remuneration). Manager performance evaluation includes financial indicators (such as earnings achievement rate, earnings growth rate, securities market share growth rate, wealth management achievement rate, cumulative profit achievement rate, operating expense control rate) and non-financial indicators (such as business planning, leadership, work efficiency, professional knowledge, character and work attitude, Ethical and Sustainable Development (ESG), compliance with laws and regulations, and risk management).

Manager compensation is reviewed by the Remuneration Committee and submitted to the Board of Directors for approval, ensuring that senior management compensation reflects not only their financial contributions but also their effectiveness in advancing sustainability. This ensures a balance between financial performance and sustainable development.

Through this comprehensive ESG performance and compensation linkage mechanism, the Company not only enhances employee awareness of sustainability but also effectively drives the implementation of ESG strategies, embedding sustainability concepts into the Company's operational framework and corporate culture, thereby laying a solid foundation for achieving long-term sustainability goals.

7.3.3 Comprehensive Reward Mechanism

■ Performance Evaluation Mechanism

The Company is committed to establishing a fair, reasonable, and effective performance evaluation mechanism that not only assesses employee performance but also motivates contributions and achievements through reward programs. At the same time, it serves as an important platform for job communication, fostering a positive work culture and environment.

The overall performance evaluation adopts a rolling adjustment mechanism and regularly evaluates all executives and employees based on general, professional, and common competency items.

In the design and implementation process, the Company emphasizes fairness and transparency, ensuring that the evaluation process is free from discrimination or unfair practices based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, disability, zodiac sign, blood type, or past union membership.

In 2024, performance evaluation coverage reached 97% for managerial positions and 89.13% for non-managerial positions. By gender, the evaluation coverage was 86.01% for male employees and 92.36% for female employees, ensuring employees received fair performance feedback and development guidance. Contract employees on fixed-term agreements and employees still under probation were excluded from annual evaluations but were still subject to other appropriate performance management methods, ensuring all employees received performance guidance.

Finally, performance evaluation results are directly linked to employee promotion opportunities, salary adjustments, and bonus distribution, forming a clear incentive mechanism. At the same time, employees are informed promptly of their evaluation details, and management actively provides job guidance, necessary resources, and career counseling, enabling employees to adjust their career planning in line with the Company’s business strategies, objectives, and management measures.

2024 Employee Performance Evaluation Statistics

Category	Item	Evaluation Coverage Rate
Position Level	Managerial	97.00%
	Non-managerial	89.13%
Gender	Male	86.01%
	Female	92.36%

■ Employee Care and Welfare Measures

In addition to basic compensation, the Company provides a wide range of welfare and subsidy programs to comprehensively meet employee needs:

Employee Leave and Flexible Work Arrangements: The Company implements a two-day weekend policy and provides various types of leave in accordance with labor laws. In 2024, seven employees applied for flexible working hours, supporting employees in balancing work and personal life.

Gender Equality and Family Care Measures: Please refer to Section 7.1.2 “Diversity, Inclusion, and Workplace Equality.”

Health Care Benefits: The Company regularly conducts employee health examinations or nationwide mobile health checkups. Physicians from hospitals are invited to provide on-site health consultation services. In 2024, a total of four health consultation events were organized to safeguard employee health.

Economic Support: The Company provides subsidies for marriage, funerals, hospitalization, and childbirth. In 2024, employee welfare expenses amounted to NT\$91,664 thousand, representing a 70% increase compared to NT\$53,930 thousand in 2023. The average welfare expenditure per employee reached NT\$47,717, demonstrating the Company’s investment in employee well-being.

Through a comprehensive reward and recognition mechanism, the Company promotes employee performance improvement, strengthens employees’ sense of belonging and loyalty, builds a proactive and positive organizational culture, and fosters mutual growth and development between the Company and its employees.



Insurance Programs: In addition to labor insurance and national health insurance, the Company also offers employees and their dependents preferential insurance coverage, including life, accident, cancer, medical, and group insurance. Moreover, the Company covers travel accident and injury insurance for overseas business trips and expatriate assignments. In 2024, a total of 94 employees benefited from such coverage, ensuring comprehensive protection for employees and their families.

Professional Development Support: The Company provides subsidies for professional license examination fees and reward bonuses, encouraging employees to continuously enhance their professional skills. An educational training subsidy mechanism is also in place to support employees in external study and training programs.

Diverse Care Activities: The Company offers massage services by visually impaired therapists, regularly organizes birthday celebrations, annual MVP selections, and various festive activities to strengthen employees’ sense of belonging and recognition.

- In 2024, the “Annual MVP Friendly Finance Service Award” was presented to employees who demonstrated outstanding performance in Friendly Finance services. In addition to receiving bonuses and honors, awardees were also recognized at the Company’s annual meeting.
- **Long-Term Service Awards:** To honor senior employees for their loyalty, the Company presented long-term service awards to 135 employees in 2024, representing a 12.5% increase compared to 120 awardees in 2023. This reflects the Company’s recognition of employee dedication and contributions.

7.4 Comprehensive Workplace Health

7.4.1 Occupational Safety and Health Management

The Company strictly adheres to the provisions of the Occupational Safety and Health Act and is committed to continuously improving the work environment to ensure the health and safety of employees.

■ Occupational Safety and Health Management System and Operation Mechanism

The Company adopts the international P-D-C-A (Plan-Do-Check-Act) cyclical management methodology for continuous improvement and has designated occupational safety and health personnel responsible for related tasks. To ensure compliance with occupational safety and health regulations, the Company regularly conducts hazard identification and risk assessments in response to operational changes or abnormal situations.

Subsequent to the risk assessments, appropriate risk management measures are implemented, such as risk transfer, risk mitigation, or strengthening existing management controls, while continually seeking the best strategies for improvement.

At quarterly labor-management meetings, special attention is given to occupational safety and health topics, including the formulation, management, and implementation of occupational safety and health programs, safety and health education and training, health promotion activities, implementation of preventive measures, investigation and reporting of occupational accidents, and performance evaluation of on-site safety and health management.

Through these measures, the Company continuously improves and strengthens internal safety and health management, ensuring a friendly workplace environment and safeguarding employee health.

■ Workplace Safety Measures and Management

The Company has implemented multiple measures to ensure a safe and healthy workplace environment

A. Occupational Safety Programs

Developed and implemented the Ergonomic Hazard Prevention Program to prevent musculoskeletal injuries or illnesses caused by work.

Developed and implemented the Abnormal Workload Induced Disease Prevention Plan to address risks from shift work, night work, and long working hours, and to plan and adopt necessary safety and health measures.

B. Workplace Environment Control

- ✓ Conducts regular workplace inspections and improvements to ensure brightness, cleanliness, and a friendly environment.
- ✓ Provides employees with protective equipment necessary for their safety and health.
- ✓ Appoints fire prevention managers in accordance with fire safety laws, who receive retraining every three years; designated staff conduct irregular workplace inspections to check all fire safety equipment.
- ✓ Establishes tobacco hazard control measures to maintain a smoke-free environment.
- ✓ Prepares sufficient first-aid medicines and equipment, and in compliance with the Occupational Safety and Health Act, appoints occupational safety and health supervisors and first-aid personnel, and provides training in accordance with the Occupational Safety Education and Training Regulations.
- ✓ Obtained the Indoor Air Quality Self-Management Certification Label from the Taipei City Environmental Protection Bureau for public indoor areas.

C. Site Insurance

The Company's business premises are covered by commercial fire insurance, electronic equipment insurance, and public liability insurance, providing comprehensive protection for employees and customers.

■ Occupational Safety Education, Training, and Certification

In accordance with the Worker Safety Education Principles, the Company regularly conducts occupational safety and health-related courses. In addition, the Company has been awarded the ISO 22301 Business Continuity Management certification by the British Standards Institution (BSI), ensuring that in the event of an emergency or crisis, the impact on employees and the Company can be minimized, thereby safeguarding personnel safety.

The following table presents the 2024 occupational safety and health training statistics:

Occupational Safety and Health Training Statistics

Course Content	Participants	Course Hours	Total Hours	Evaluation Mechanism
Occupational Safety and Health Management Training	Level A Initial Training: 1 person	35 hours	236 hours	Qualification certificate obtained
	Level B Initial Training: 1 person	21 hours		
	Level C Initial Training: 1 person	42 hours		
	Refresher: 23 people	6 hours		
Fire Prevention Management Training	Initial Training: 3 people	12 hours	100 hours	Qualification certificate obtained
	Refresher: 10 people	6-8 hours		
First Aid Personnel Safety and Health Training	Initial Training: 5 people	18 hours	132 hours	Qualification certificate obtained
	Refresher: 14 people	3 hours		
General Worker Safety and Health Training	475 people	3 hours	1,425 hours	Passed online test
Head Office BCM Evacuation Drill	72 people	2 hours	144 hours	Practical drill
Fire Safety and First Aid Training Workshop	44 people	3 hours	132 hours	Practical drill
Basic First Aid Course	11 people	0.5 hour	5.5 hours	Passed online test
Fire Equipment Usage	7 people	1 hour	7 hours	Passed online test

Note: Total hours = number of participants × course hours.

■ Occupational Accident Performance

The Company is committed to preventing occupational accidents by implementing comprehensive safety measures and management mechanisms. In accordance with the Occupational Safety and Health Act, the Company has established the Ergonomic Hazard Prevention Program to prevent musculoskeletal injuries or diseases caused by work, and the Abnormal Workload Induced Disease Prevention Plan to mitigate risks associated with irregular workloads such as shift work, night work, and long working hours, adopting the necessary safety and health measures.

In 2024, there was one occupational accident involving one employee, caused by an unsecured year-end banquet stage setup, resulting in a fall. This incident was documented as a key item for future attention, requiring confirmation and testing during actual execution to prevent recurrence. Although an occupational accident occurred this year, the Company demonstrated its proactive approach by promptly implementing improvements, enforcing follow-up actions, and reducing the likelihood of recurrence. For employees injured at work, the Company grants occupational sick leave in accordance with legal provisions and assists in applying for occupational injury compensation through the labor insurance system to ensure full protection of employee rights. In addition, for commuting accidents, the Company will further strengthen traffic safety awareness and provide legally mandated leave to ensure adequate recovery.

Comparison of Occupational Accident Statistics

Item	2022	2023	2024
Total Hours Worked	1,362,576	1,385,456	2,174,408
Total Workdays	170,322	173,182	271,801
Total Occupational Injury Cases	0	0	1
Total Lost Workdays	0	0	90
Frequency Rate of Disabling Injuries (FR)	0	0	0.46
Severity Rate of Disabling Injuries (SR)	0	0	41.39
Occupational Disease Rate	0	0	0
Fatality Rate	0	0	0

Note 1: Frequency Rate of Disabling Injuries (FR) = (Total number of occupational injury cases × 1,000,000 hours) ÷ Total hours worked (rounded to two decimal places).
Note 2: Severity Rate of Disabling Injuries (SR) = (Total number of lost workdays × 1,000,000 hours) ÷ Total hours worked (decimals omitted).
Note 3: Occupational injury cases include general injuries (≤180 lost workdays), severe injuries (>180 lost workdays), and fatalities.
Note 4: Recordable occupational injuries exclude commuting accidents.

7.4.2 Employee Physical and Mental Health Care Program

The Company regards its employees as its most valuable assets, placing full emphasis on their physical and mental well-being. Through a variety of health promotion programs and support systems, the Company assists employees in maintaining healthy lifestyles and balanced physical and mental states.



Health Examinations and Medical Care

The Company arranges regular health examinations or island-wide mobile health check-ups for employees. In 2024, comprehensive health examination packages were provided, covering general health conditions, indicators for chronic diseases, and cancer screening, enabling employees to detect and address health concerns at an early stage. In addition, physicians from Cathay General Hospital were invited to provide on-site health consultation services, including health education, health promotion, and hygiene guidance. A total of four sessions were held in 2024, effectively raising employees' health awareness and management capabilities.

Furthermore, to respond to flu seasons, the Company implemented the "Workplace Influenza Vaccination Program," offering subsidies for self-paid vaccines. In 2024, the total subsidy amount reached NT\$302,000, benefiting 305 employees, representing nearly a 6% increase compared to 288 employees in 2023, demonstrating the Company's continued commitment to employee health protection.

In addition, "tunnel-type blood pressure monitors" were installed at headquarters and branch offices, enabling employees to monitor and manage their blood pressure at any time, reflecting the Company's comprehensive concern for employee health.

Mental Health Support Mechanism

In addition to physical health, the Company also focuses on employees' mental well-being. To this end, it has established Employee Assistance Programs (EAPs) in collaboration with external non-profit professional counseling institutions, offering free counseling services, including telephone consultations and one-on-one sessions. These services provide professional psychological support and help employees address issues related to family, workplace relationships, and legal matters.

Furthermore, in 2024, the Company organized special lectures such as "Eat Well, Live Green: The Magic of Low-Carbon Eating" and "Rethinking Parenthood Roles: Gender Equality in Modern Parenting", providing employees with practical information to maintain health and well-being while also introducing government resources. These initiatives promoted healthier lifestyles while alleviating economic and psychological burdens.

These activities not only provided necessary support to employees but also fostered a culture of mutual care and concern within the organization, creating a healthier and more harmonious work environment.

Health Promotion Activities and Awareness Training

To help employees maintain healthy exercise and dietary habits, the Company periodically organizes themed seminars such as "Office Exercise," "Office Stretching," "Training for Office Workers," and "Healthy Plate," to raise awareness of the importance of healthy living practices. In addition, the Company has set up a dedicated "Capital Health Education Zone," which regularly provides employees with health-related information, enabling them to acquire the latest and most practical health knowledge.

Through its E-learning platform, the Company also offers "Workplace Vitality Exercise" for employees' reference to promote physical wellness. Moreover, in collaboration with the Sports Administration, Ministry of Education, the Company conducts "Smart Physical Fitness Testing Activity" to help employees understand their physical condition and gain insight into the key elements of managing their health.

These diverse health promotion activities not only enhance employees' health awareness but also strengthen team cohesion and organizational vitality.

Preventive Medicine and Health Management

The Company adopts a proactive preventive medicine strategy, aiming to prevent diseases through health risk assessments and early interventions. In 2024, based on health examination results, the Company provided tailored health management programs and follow-up measures for high-risk groups, including chronic disease management, weight control, and stress management. At the same time, the Company partnered with the Sports Administration, Ministry of Education, to organize "Smart Physical Fitness Testing Activity," supporting employees in monitoring their physical condition and enhancing health management capabilities.

Through these health management activities, the Company strives to reduce employee health risks and improve overall health levels. Furthermore, the Company has received the "Badge of Accredited Healthy Workplace" from the Health Promotion Administration, Ministry of Health and Welfare (valid from 2019 to 2024), as well as the "iSports Corporation" recognition from the Sports Administration, Ministry of Education, demonstrating its outstanding performance and commitment to promoting a healthy workplace.

Comparison of Health Examinations and Medical Care

Item	2023	2024	Change
On-site health consultation sessions	4 sessions	4 sessions	0%
Vaccination subsidy amount	NT\$284,750	NT\$302,000	+6.06%
Number of beneficiaries	288	305	+5.90%



7.4.3 Work-Life Balance Program

The Company fully recognizes the importance of maintaining work-life balance for enhancing employee well-being and job performance. Therefore, it actively promotes a range of initiatives to help employees achieve harmony between career development and personal life.

Flexible Work Arrangements

To support employees in better managing their work and personal schedules, the Company offers flexible working hour options. In 2024, a total of 7 employees applied for and utilized flexible working arrangements, enabling them to achieve a more effective balance between work and personal life.

In addition, the Company implements a five-day workweek and, in accordance with labor laws, provides employees with various types of leave. This ensures employees have sufficient rest time, allowing them to balance family responsibilities and personal interests, while maintaining both physical and mental well-being outside of work.

To address childcare needs, the Company provides multiple supportive measures: employees raising children under the age of three may apply for schedule adjustments or reduce their daily working hours by one hour; after six months of service, employees may apply for parental leave without pay until the child reaches three years of age, for a maximum period of two years. In 2024, a total of 6 employees applied for parental leave without pay. The Company fully supports their family responsibilities and ensures that upon returning to work, employees are not disadvantaged in terms of performance evaluations or other employment conditions.

	Female	Male	Total
Eligible Employees	20	20	40
Expected to Return [Ⓐ]	7	1	8
Actual Return [Ⓑ]	5	0	5
Return Rate [Ⓑ] / [Ⓐ]	71.43%	-	62.5%
Previous Year Return [Ⓒ]	2	2	4
Employed for 1 Year Post-Return [Ⓓ]	0	1	1
Retention Rate [Ⓒ] / [Ⓓ]	0%	50%	25%

Note: In accordance with Article 50 of the Labor Standards Act and Articles 15 and 16 of the Gender Equality in Employment Act, employees are entitled to eight weeks of maternity leave and may apply for parental leave without pay after six months of service until each child reaches three years of age, for a maximum of two years. For employees raising more than one child, the parental leave period shall be calculated cumulatively, but not exceeding two years for the youngest child.

Leisure and Travel Subsidies

The Company encourages employees to cultivate a diverse and healthy lifestyle outside of work by offering travel subsidies. These programs encourage employees to relax, broaden their horizons through travel, and thereby improve their physical and mental well-being, enhance team cohesion, and increase job satisfaction.

In addition, the Company has established the Guidelines for the Establishment of Recreational and Public Welfare Associations and the Management of Subsidies, encouraging employees to develop habits of participating in sports or public welfare activities, thereby promoting physical and mental health as well as social engagement. In 2024, the Company continued to provide financial subsidies to support various employee-founded interest clubs, including basketball, yoga, mountaineering, and photography clubs, encouraging employees to strengthen peer interaction and enrich their leisure lives through club activities.



■ Family-Friendly Measures

The Company firmly believes that supporting employees' family lives is an essential part of sustainable development and has therefore implemented a variety of family-friendly measures.

These family-friendly measures clearly demonstrate the Company's commitment to valuing employees' family lives, while also enhancing employees' sense of belonging and creating mutually beneficial working relationships.

A

Family Care Leave

For employees who need to personally care for family members due to vaccinations, serious illness, or other significant incidents, the Company increased the annual family care leave from 7 to 14 days. This provides employees with more time to care for and accompany their families, without affecting their performance evaluations or leading to adverse treatment.

B

Childcare Support

To help employees resolve childcare challenges, the Company entered into agreements with the Taipei Children's Welfare Center and Kuanhua Kindergarten to provide preferential tuition each semester. After-school care and tutoring services are also available for employees' children, allowing employees with young children to focus on their work while simultaneously supporting child welfare.

C

Mother's Care Package

To support employees with newborns, the Group provides a mother's care package, which includes a stress-relief tote/backpack, a set of baby bottles, bibs, and other practical items.

In 2024, a total of 15 packages were distributed, representing a 50% increase compared to 10 packages in 2023, highlighting the Company's continued commitment to employees' family lives.

D

Support for Pregnant Employees

The Company provides pregnant employees with a pregnancy safety identification badge (in the form of a pin), reminding colleagues to maintain their comfort and safety. At the same time, if lighter and suitable work is available within the unit, pregnant employees may apply for reassignment to ensure their work rights and health are protected.



7.4.4 Employee Care and Support System

The Company regards employees as its most valuable assets and has established a comprehensive and considerate employee care system that addresses both material support and psychological well-being. This system provides all-round care for employees' needs, fostering a warm and harmonious workplace environment. (Detailed figures can be found in the Employee Salary and Welfare Expenses Analysis Table presented earlier.)

A. Welfare Bonus Subsidies

The Company provides subsidies for marriage, bereavement, hospitalization, and childbirth. In 2024, the total welfare subsidies amounted to NT\$9.53 million, representing a 6.5% increase compared to 2023, fully supporting employees during important life stages.

C. Partner Store Discounts

The Company collaborates with a variety of stores to offer exclusive discounts in dining, leisure, education, healthcare, and other sectors, enriching employees' daily lives and enhancing their quality of life.

B. Employee and Family Insurance

The Company offers group insurance to employees, including life insurance, accident insurance, medical insurance, and occupational hazard coverage. Employees' family members are also eligible for preferential-rate self-funded group insurance plans such as term life, accident, medical, and cancer insurance. In 2024, there were 120 participants in these insurance programs, an 8% increase from 111 participants in 2023, ensuring comprehensive protection for employees and their families.

D. Legal and Psychological Counseling

The Company provides assistance to employees facing legal or psychological issues, helping them overcome challenges in work or personal life. In 2024, a total of 85 counseling sessions were provided, a 12% increase compared to 2023, demonstrating the tangible effectiveness of these services.

Employee Satisfaction Survey and Improvement Plans

The Company regularly conducts employee satisfaction surveys to gain a comprehensive understanding of employees' opinions and suggestions across various aspects of the organization. In 2024, the survey evaluated eight key indicators: organizational climate, leadership, management systems, job satisfaction, work environment, employee care, promotion of sustainable finance, and organizational identification. The survey covered all employees within the Taiwan region of the Group.

The results showed an overall score of 82.3, reflecting a "satisfied" level. However, the Company continues to follow principles of long-term evaluation, identifying key issues, prioritizing them, and developing action plans based on the survey findings. Continuous improvements will be made to optimize employee welfare measures, while closely monitoring the effectiveness of these initiatives to stay aligned with development trends.



■ Bloomberg Gender Index-Related Data

2024 Employee Category by Gender

	Male	Female
Senior Management Personnel	10	13
Middle Management Personnel	55	47
Junior Management Personnel	50	101
Information/Engineering-Related Personnel	126	51
Other Employees	441	953

Notes:

- (1) Senior management personnel include department heads and deputy heads or above (including Chairman, President, acting department heads, and cross-department supervisors).
- (2) Middle management personnel include division-level supervisors or above (including section supervisors, area supervisors, branch managers, and sub-branch supervisors).
- (3) Junior management personnel include section-level supervisors or above (including counter supervisors).
- (4) Personnel not classified as senior, middle, or junior management fall under information staff, information security staff, and system staff.
- (5) All other employees not listed above.

Internal Promotion Analysis by Year

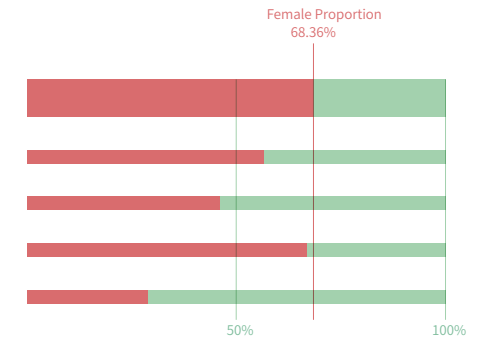
	Year-End Headcount	Internal Promotions			
		Male	Female	Total	Ratio (%)
2022	1,888	115	219	334	17.69%
2023	1,847	101	183	284	15.38%
2024	1,995	73	122	195	9.77%

2024 Female Proportion in Management

	Female Proportion (%)	Target
Female Employees	68.36%	Not less than 50% by 2030
Senior Management (as % of total senior management positions)	56.52%	Maintain or not less than 50% by 2030
Middle Management (as % of total middle management positions)	46.08%	Maintain or reach 50% by 2030
Junior Management (as % of total junior management positions)	66.89%	Not less than 50% by 2030
Information/Engineering-Related Positions	28.81%	Maintain or reach 50% by 2030

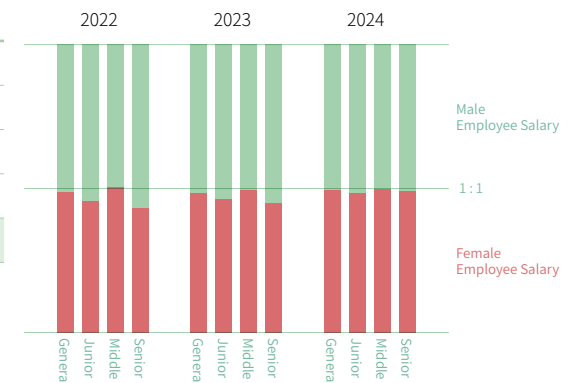
Notes:

- (1) Formula = Female other employees / (Male other employees + Female other employees).
- (2) Formula = Female senior management / (Male senior management + Female senior management).
- (3) Formula = Female middle management / (Male middle management + Female middle management).
- (4) Formula = Female junior management / (Male junior management + Female junior management).
- (5) Formula = Female information/engineering-related staff / (Male information/engineering-related staff + Female information/engineering-related staff).



Employee Salary Ratio by Gender and Category

	Male : Female Ratio		
	2022	2023	2024
Senior Management	1:0.76	1:0.82	1:0.96
Middle Management	1:1.02	1:0.98	1:0.99
Junior Management	1:0.84	1:0.86	1:0.93
General Staff	1:0.95	1:0.93	1:0.97
Goal	Maintain or reach 1 : 1 ratio by 2030		



Notes:

- (1) Senior management personnel include department heads and deputy heads or above (including Chairman, President, acting department heads, and cross-department supervisors).
- (2) Middle management personnel include division-level supervisors or above (including section supervisors, area supervisors, branch managers, and sub-branch supervisors).
- (3) Junior management personnel include section-level supervisors or above (including counter supervisors).
- (4) All other employees are included under general staff.



Customer Value and Social Impact

Capital Securities Corp. is committed to serving diverse communities and groups by providing a wide range of financial products and services, delivering “people-oriented and considerate services,” implementing the principle of fair treatment of customers, safeguarding customer rights, and continuously acting as a trusted and satisfactory partner for clients.

Customer Questionnaire
Response Resolution Rate

99.91%

Financial Ombudsman Complaints

100% Completion Rate

Board of Directors Participation
in Fair Customer Treatment
Supervision and
Stakeholder Engagement

4 Board Meetings

Accessibility Measures for People
with Disabilities at
Business Locations

Over 90%

Website Accessibility Certification Obtained

Accessibility Certification

Financial Literacy Promotion

265 / 4,600
Information Sessions Participants

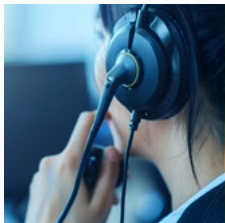
11 / 2,600
Large-Scale Events Participants

509 Financial Literacy Videos

More than 11,000
Participants Served (Physical + Digital Combined)



8.1 Commitment to Excellent Service



In accordance with the Financial Consumer Protection Act and the “Principle for Financial Service Industries to Treat Clients Fairly” issued by the competent authority, the Company has established the Fair Customer Treatment Guidelines, covering aspects such as fairness and integrity in contracting, duty of care and loyalty, truthful advertising and solicitation, product or service suitability, disclosure and transparency, balanced remuneration and performance, complaint protection, professionalism of personnel, principles of friendly service, and the implementation of ethical corporate management. In 2024, the Company had no violations of regulations or voluntary commitments. Guided by the Board of Directors from the top down and adhering to the core values of “integrity, professionalism, and responsibility,” the Company integrates sincere care into its corporate culture, promoting its implementation across all operations, services, and activities.

2024 Key Agenda Items on Fair Customer Treatment

Principle for Financial Service Industries to Treat Clients Fairly	Board Meeting	Supervision Details
Duty of Loyalty Principle	Jan. 22, 2024 – 12th Board, 10th Meeting	Reviewed the Company’s overall information security implementation and examined the new year’s enhancement plan.
Duty of Loyalty Principle	Mar. 13, 2024 – 12th Board, 11th Meeting	Amended the risk management system’s “Information Security Risk Identification” section to more accurately identify security risks.
Duty of Loyalty Principle	Jul. 29, 2024 – 12th Board, 13th Meeting	Established the Regulations for Outsourcing Internal Operations and the Cloud Management Policy to strengthen information security and cloud risk control measures for outsourced institutions.
Duty of Loyalty Principle	Dec. 23, 2024 – 12th Board, 16th Meeting	Revised the Emergency Response Guidelines for Operational Crises, clarifying responsibilities, adding departmental procedures and reporting protocols, crisis response teams, countermeasures, information management, and post-crisis handling.
Implementation of Ethical Corporate Management Principle	Mar. 13, 2024 – 12th Board, 11th Meeting	Conducted internal performance evaluations of the Board of Directors and functional committees to implement the principle of ethical corporate management.

8.1.1 Fair Customer Treatment Governance Structure

The Company recognizes that the Principle for Financial Service Industries to Treat Clients Fairly are not only the foundation of financial services compliance but also the key to sustainable operations and customer trust. Building a sound governance structure and management mechanism is fundamental to protecting customer rights and fostering confidence in financial services. Through strategies, systems, and action plans, the Company provides financial services that embody “integrity, professionalism, and responsibility.”

Ultimately, the Company incorporates fair customer treatment performance goals and results into departmental performance indicators and employee behavior management, establishing a governance structure and management measures that interweave internal control, internal audit, regulatory compliance, training, and reward/disciplinary systems. This ensures that fair customer treatment becomes part of the Company’s corporate culture and long-term brand sustainability, advancing from “compliance-driven behavior” to “sincere and meaningful service.”



8.1.2 Implementation Outcomes

- Highlights of the Company's 2024 implementation of the Principle for Financial Service Industries to Treat Clients Fairly include:

The Company implements annual "Fair Customer Treatment Execution Plans" across departments as a key measure to integrate the Principle for Financial Service Industries to Treat Clients Fairly into business operations and workflows. Progress is regularly evaluated, along with the resources and manpower required to address obstacles, ensuring that execution outcomes effectively enhance customer rights and interests.

1 Product Launch and Approval Mechanism

The Company strictly requires financial products or services to undergo thorough evaluation of their characteristics and target customer segments before entering the market, including the following key control measures:

- All products must be submitted to the Product Review Committee and undergo written review procedures.
- The review process assesses the impact level, target groups, and control mechanisms of products or services. For example, for offshore structured products, a dedicated Offshore Structured Product Review Committee is convened to examine the product listing; for investment-type products, suitability is assessed based on product characteristics.
- For high-risk products, special control measures are applied, such as risk warnings and regulatory disclosures.

4 Customer Complaint Analysis and Response

Each month, the head of the Fair Customer Treatment Task Force reports on the handling of customer complaints at the monthly management meeting convened by the President. Annually, **the Risk Management Committee reviews recent customer complaints**, analyzes root causes, confirms execution results, and corrective and preventive measures. Customer complaints and grievance cases are consolidated and categorized by type, with impact levels and corresponding response measures identified. These outcomes are subsequently integrated into training content to strengthen resource integration and effectively safeguard customer rights.

2 Risk Disclosure and Care Mechanism

For different customer groups, the Company requires differentiated service and reporting mechanisms, including:

- **Enhanced disclosure of contract terms.**
- Standards for solicitation quality.
- **Pre-transaction risk notification and disclosure.**
- Digital trading interfaces equipped with warnings and confirmation mechanisms.
- For vulnerable groups such as elderly clients (aged 65 and above), students, and persons with disabilities, the Company provides dedicated hotlines, designated staff assistance, face-to-face communication, and knowledge confirmation procedures.

5 Blueprint for Professional Development of Business Personnel

The Company firmly believes that implementing the Principle for Financial Service Industries to Treat Clients Fairly should not be limited to institutional requirements but must also evolve into a corporate culture through full participation, continuous education, and skill enhancement. Every employee is expected to demonstrate proactive service, professional knowledge, and responsible conduct to protect customer rights. To this end, the Company has established a comprehensive training system, including board director training, onboarding training, on-the-job refreshers, managerial

3 Comprehensive Friendly Finance System

Based on the Company's Fair Customer Treatment Guidelines, the **Guidelines for Friendly Financial Services** have been established to provide customer-friendly financial services to persons with disabilities, elderly clients, and other groups. Furthermore, all Company personnel are required to complete at least one hour of annual training on Friendly Finance and the Convention on the Rights of Persons with Disabilities.

Additionally, the Company conducts annual recognition programs. Through nominations by supervisors, colleagues, or client recommendations, and based on the competent authority's guidelines, the Company's Guidelines for Friendly Financial Services, and actual service performance, outstanding employees are selected for the Annual MVP Friendly Finance Service Award, which is presented by the Chairman and the President at the Company's annual ceremony along with incentives. These honorees serve as role models for all employees.

workshops, guest lectures, external training participation, and financial certification programs. These are supported by clear performance indicators and training records, advancing fair customer treatment from "compliance" to "habit."

In 2024, the Company's total training expenses reached NT\$10,663 thousand, with 3,923 participants in various external professional education programs. Internally, 140 training sessions were held, totaling 65,281 training hours, while external training hours amounted to 29,549.

■ Principle for Financial Service Industries to Treat Clients Fairly

– Implementation Comparison Table

Principle for Financial Service Industries to Treat Clients Fairly	Execution Item	Description
Fair Contracting Principle	• Strengthening contract clause design • Improving internal control requirements	• Important contents of contracts and prospectuses are highlighted in bold, with explicit stipulations that “clauses evidently unfair shall be invalid,” ensuring that both parties engage in financial service relationships based on fairness, reasonableness, and good faith principles. • Sales personnel are explicitly prohibited from engaging in exaggerated or deceptive conduct during contract formation.
Duty of Loyalty Principle	Information security risk control and operational soundness	• Revised the “Information Security Risk Identification” section in the Risk Management System to strengthen risk control. • Added Regulations for Outsourcing Internal Operations and Cloud Management Policy to ensure stringent information security controls for outsourced vendors and cloud services. • Maintained information security, personal data protection, and business continuity management systems, and ensured validity of international certifications. • Established a corporate crisis management system and conducted regular business continuity simulation exercises.
Duty of Loyalty Principle	Anti-fraud promotion and strong implementation	• Established the Anti-Fraud Operating Procedures and the KYC Evaluation Operational Regulations. • Assigned the Fair Customer Treatment Task Force under the Integrity and Sustainable Development Operation Office to oversee anti-fraud efforts, including fraud strategy planning, operating procedures, departmental supervision, and anti-fraud education and training. • Implemented a reporting mechanism for Securities Specialists to flag suspicious fraud attempts. • Set up an anti-fraud section on the Company’s website to help investors identify the Company’s official channels and understand common fraud schemes. • Deployed information systems to filter abnormal transactions and detect suspicious activities in real time. • Designated staff within business units to conduct follow-up calls with elderly clients (aged 65 and above) or vulnerable groups engaging in abnormal transactions, reminding them of risks. • Disseminated anti-fraud messages to all clients through LINE, SMS, or email. • Introduced RSA monitoring for fraudulent websites and mobile applications, with immediate reporting and takedown of any impersonations of the Company. • Promoted anti-fraud awareness through videos shown at various events; in 2024, a total of 271 sessions were held, reaching 6,533 participants. • Received the “Outstanding Award in Anti-Fraud Evaluation” from the Taiwan Stock Exchange.
Truthful Advertising and Solicitation Principle	Advertising and business promotion control	Adopted the Regulations for the Preparation, Distribution, and Publication of Advertising, Solicitation, and Promotional Materials, ensuring that all marketing and promotional content is truthful and accurately supervised.
Disclosure and Transparency Principle	• Risk disclosure quality requirements • Enhanced risk disclosure for non-professional investors	• Sales personnel are required to (1) provide full explanations of key contents and risk disclosures, and (2) ensure all information is specific, clear, concise, straightforward, and understandable, with written documentation retained as the basis for communication between both parties. • For non-professional investors, protection standards must be consistent with those afforded to professional clients, with explicit disclosure of customer rights and full disclosure of risks.
Principle of Balanced Compensation and Performance	Introduction of non-financial performance evaluation elements	Non-financial indicators account for 80% of business personnel compensation. These include compliance with laws and self-regulatory standards, effectiveness of internal controls, suitability of sales and entrusted investments, audit deficiencies, customer satisfaction and complaints, abnormal client behavior and frequency, training participation performance, professional licensing, implementation of Know Your Customer (KYC) procedures, and suitability assessments of products or services, thereby ensuring fair customer treatment and ethical risk management.



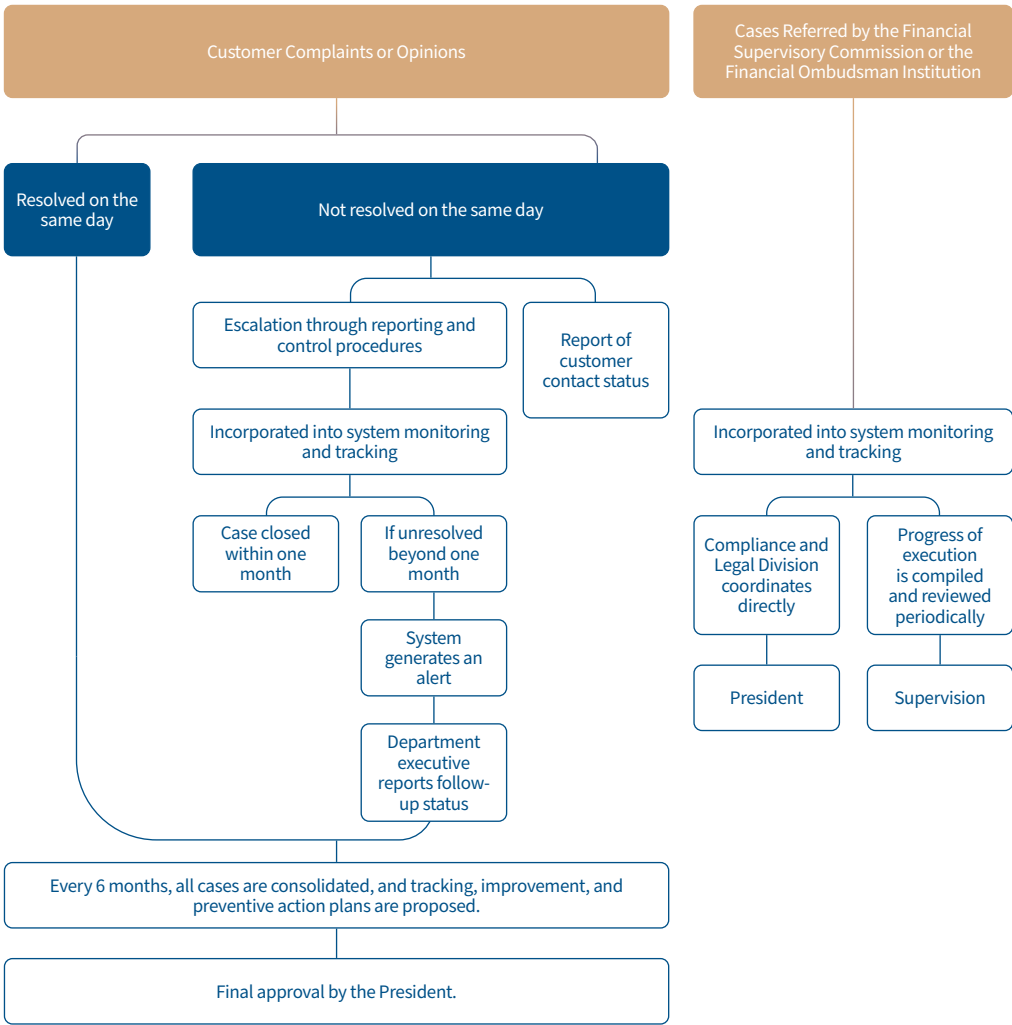
Principle for Financial Service Industries to Treat Clients Fairly	Execution Item	Description
Principle of Complaint Protection	Complaint timeliness and handling procedures	Revised the Regulations for the Handling of Business Disputes, reducing the statutory 30-day application period to 25 days for completion of customer complaint handling.
Principle of Complaint Protection	Case review and impact assessment response	- Introduced a complaint classification and statistical tracking system, consolidating annual complaint cases and customer feedback, categorizing case patterns, analyzing causes, responses, and establishing corrective measures. - Incorporated common complaint case patterns into training content to prevent recurrence. - The head of the Fair Customer Treatment Task Force reports monthly complaint handling to the President during management meetings; complaints are also reviewed annually at the Risk Management Committee to analyze patterns, verify resolutions, and confirm effectiveness.
Principle of Business Personnel Professionalism	- Comprehensive training mechanisms - Sustainability awareness and professional development	- In 2024, the Company held 140 training sessions with 3,923 participants. - Training content covered product suitability control, information disclosure, regulatory compliance, customer service, and information security awareness. 45 employees obtained the Sustainable Finance Professional License, strengthening internal ESG understanding and customer rights protection. - Established a systematic management process for business personnel qualification registration, changes, cancellation, and financial licenses.
Principle of Product or Service Suitability	- Product approval and review mechanism - Strengthened KYC control measures - Enhanced suitability review for elderly customers - Protection of student group rights	- Established comprehensive suitability review mechanisms such as the KYC Evaluation Operational Regulations, Composition and Review Guidelines for the Offshore Structured Products Review Committee, Operational Guidelines for Reviewing Investment-Type Financial Products, and Application and Review Guidelines for High Net Worth/Professional Investor Eligibility. - Product approval and listing review mechanisms ensure compliance with regulations, risk controls, and target group needs, strictly assessing fair customer treatment principles and control designs. - Reinforced KYC reminders and record-keeping mechanisms, ensuring personnel confirm product-customer suitability. - Suitability review processes for elderly clients include additional controls to align with their characteristics and risks, safeguarding their rights. - Annual reviews are conducted for elderly clients purchasing derivatives to confirm free will, basic product knowledge, and comprehension. - Derivatives sales to students emphasize protection of rights, with sales restrictions in place. Online account opening is only permitted for individuals aged 20 or above, reinforcing suitability and risk disclosure measures.
Principle of Friendly Services	- Care services for elderly and disabled groups - Innovation in digital financial services - Multilingual services - Customer service with Friendly Finance as the priority	- Introduced friendly measures for elderly and disabled clients, such as large-font interfaces, voice assistance, dedicated staff, and magnifiers at all locations. - Established lending risk monitoring and proactive care mechanisms for elderly clients. - Set up care inquiry mechanisms for clients aged 65 and above, with 891 instances in 2024. - Branches provide services in Mandarin, Taiwanese, English, and with assistive tools. - Upgraded disclosure information across websites, documents, and app interfaces to improve accessibility, ease of use, and inclusiveness. - Customer service supports Mandarin, Taiwanese, and English, enhancing cross-group friendliness.
Principle of Ethical Corporate Management	Performance evaluation system and stakeholder disclosure	- The Board of Directors amended the Internal Guidelines for Handling Material Information, stipulating that directors, managers, and employees aware of material information about the Company or other listed, OTC, or emerging market companies due to their position are prohibited from engaging in related transactions before the information is made public or within 18 hours after disclosure. - Regularly disclosed stakeholder identification, issues of concern, and communication channels, with results reported to the Board of Directors. - Convened the Ethics and Sustainability Committee annually, with execution results reported to or reviewed by the Board of Directors.

8.2 Listening to the Voice of Clients

8.2.1 Client Complaint Handling and Risk Feedback Cycle

The Company regards client complaints not only as a service quality monitoring indicator but also as a key aspect of risk management and the protection of client rights. To this end, the Company, in line with the spirit of the Financial Consumer Protection Act and by referring to international standard ISO 10002 on customer complaint management systems, has established the P-D-C-A cycle management methodology, as well as principles and mechanisms for complaint handling and continuous improvement. This promotes processes of communication, handling, tracking, evaluation, investigation, response, and reporting, combined with quality control mechanisms throughout handling. With comprehensive information collection, case analysis, and satisfaction surveys, the Company ensures that every complaint and grievance can be “heard, handled, learned from, and improved,” thereby continuously strengthening its financial services.

Accordingly, the Company has set up multiple channels for clients to file complaints, grievances, or opinions, such as customer service hotlines, counters at branches, client opinion mailboxes, and application functions. All cases are processed in accordance with ISO 10002 and the Regulations for the Handling of Business Disputes approved by the Board of Directors. Supervisors of business units assign dedicated personnel to ascertain the details of each case, document them in a “Client Complaint Notification Form” (including client information, complaint date, unit, subject, amount, and details), and draft handling procedures and proposed solutions, which are submitted to the President and copied to the Settlement & Clearing Department, Auditing Department, and Compliance and Legal Division. The head of the Fair Customer Treatment Task Force reports the monthly complaint handling results to the President at monthly management meetings, while the **Risk Management Committee regularly reviews recent complaints and analyzes case types** to confirm resolutions.



In particular, the Company requires that, when clients raise grievances or opinions, departments should resolve them on the same day. If resolution is not possible within the day, the case must follow the reporting and control procedures, be entered into the system for monitoring, alerts, and tracking, with updates on client contact recorded, and be closed within the prescribed timeframe with a written report. If unresolved after one month, the system issues an alert for the department head to report on follow-up measures. To further improve complaint handling, in 2024 the Company required business personnel to reply to client complaints within 25 days, outperforming the statutory 30-day deadline.

- A total of 7 arbitration cases were filed with the Financial Ombudsman Institution, all of which achieved a 100% resolution rate
(the decisions in all cases stated: "The Institution finds insufficient grounds to uphold the applicant's claim")
- In 2024, the average case closure period for complaints was within 25 days, with no overdue cases.

Furthermore, the Risk Management Committee regularly reviews complaints, analyzes root causes, verifies resolution outcomes, and evaluates corrective and preventive measures. The Compliance and Legal Division and customer service units compile annual complaints, grievances, and opinions, categorize case types, assess severity, and evaluate response measures. These are then incorporated into employee training priorities, reinforcing resource integration and effectively protecting client rights.

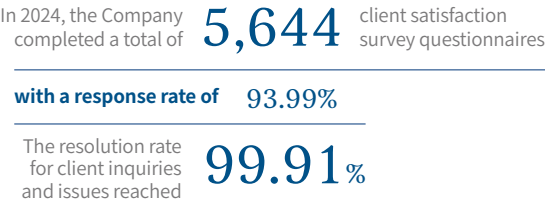
8.3 Implementation of Inclusive Finance

The core concept of inclusive finance lies in striving to ensure equal, appropriate, and effective financial services for all social groups, particularly those often overlooked. In 2024, the Company demonstrated its firm commitment to fostering a diverse and inclusive financial environment, focusing on Friendly Finance, financial education, digital equality, anti-fraud, and social welfare. These efforts aim to eliminate barriers to financial services and bring the benefits of finance to every corner of society.

8.2.2 Client Satisfaction Surveys and Service Effectiveness

The Company has established a **client satisfaction survey mechanism**. After each customer service interaction, the Company collects feedback on the degree of resolution and satisfaction, enabling continuous monitoring and enhancement of service quality while listening to the voice of clients.

Satisfaction Survey Results and Indicators



8.3.1 Friendly Finance: Creating a Barrier-Free Financial Environment

From institutional design to practical operations, the Company takes a comprehensive approach to meet the needs of different groups, dedicated to creating a truly friendly financial experience.

In 2024, the Company established the Guidelines for Friendly Financial Services to safeguard the rights of vulnerable groups, such as persons with disabilities and elderly clients, ensuring they receive friendly and appropriate financial services. This serves as an action guide for implementing inclusive finance and directs employees to pay careful attention to the specific needs of every client.

For high-risk clients, the Company has implemented a dedicated care mechanism, offering regular follow-ups and inquiries to promptly understand their needs and

challenges, ensuring sufficient support throughout their financial journey. In serving clients with disabilities, branch facilities were carefully designed, with almost all service locations remodeled with lower counters. In addition, tools such as reading glasses and magnifiers were provided, "guide dog friendly" signage was displayed, allowing service dogs to accompany visually impaired clients, and multilingual services were offered to ensure seamless communication. Every adjustment reflects the Company's commitment to providing all clients with an equal and respectful experience.

8.3.2 Promoting Financial Education: The Power of Knowledge Dissemination

Knowledge is the key to empowerment. Only through accessible financial education can the public's financial literacy be truly enhanced, enabling them to make informed financial decisions.

In 2024, through a variety of educational initiatives, the Company transformed professional financial knowledge into content that the general public can easily understand, building a bridge between financial expertise and society at large.

Throughout the year, the Company held 265 in-person client seminars and workshops, serving approximately 4,600 participants, and organized 11 large-scale events, attracting about 2,600 participants. Each event provided an opportunity for in-depth exchanges, where professional teams not only shared market insights but also listened to client needs and questions, fostering two-way learning and growth.

Additionally, the Company published 509 financial education videos in 2024, with cumulative views exceeding 720,000. Behind this number lies the engagement of tens of thousands of investors who gained knowledge and insights through the Company's digital platforms.

Furthermore, with the objective of "lowering barriers and spreading knowledge," the Company organized specialized events such as the "ETF Investment Forum for

the New Era" and the "New Perspectives on Stock Trading Forum," focusing on the applications of electronic trading and automated trading methods. These events helped investors of varying backgrounds and experience levels better understand the latest tools and strategies, ensuring that every investor could find approaches suited to their needs.

Industry-academia cooperation is another important aspect of the Company's financial education initiatives. The "Phoenix Project" was launched in partnership with universities across Taiwan, offering fourth-year students internship training that includes staged professional training, branch shadowing, and practical training. Course content covered securities expertise, domestic and international market analysis, financial product knowledge, wealth planning and asset allocation skills, digital development and marketing capabilities, business practices and experience sharing, regulatory courses, and license guidance. Outstanding interns were awarded compensation and bonuses, providing them with a pathway from learning and internship to direct employment. In addition, through the "Industry Lecturer Program," the Company dispatched professional lecturers to campuses to deliver courses on financial practices. These programs not only created a learning environment that integrates theory with practice but also cultivated fresh talent for the financial industry, achieving the dual goals of financial knowledge dissemination and talent development.

8.3.3 Collaboration and Innovative Initiatives: Expanding the Boundaries of Inclusive Finance

The realization of inclusive finance relies on broad collaboration and continuous innovation. Only through actively exploring cooperation opportunities with external institutions, while consistently integrating sustainability concepts into financial services, can new frontiers of inclusive finance be created.

The establishment of a new ESG information platform and the Sustainable Development website represents a major initiative by the Company to ensure complete, transparent, accurate, and reliable sustainability information. This not only enhances internal awareness of sustainability but also builds a space for idea exchange, information collection, quality control, and issue development. It further enables external stakeholders to better understand the Company's sustainability milestones.

At the product level, the Company actively promoted the development of sustainable investment products. In 2024, the Company successfully underwrote 17 sustainable bonds with a total value of NT\$6.83 billion, accounting for 17.6% of the Company's total underwriting amount, representing a 9.6% increase from NT\$6.23 billion in 2023. These efforts reflect the Company's ongoing response to green and transition finance action plans, assisting enterprises in accessing funding.

In addition, the Company successfully launched four IPO ESG ETFs in 2024, with total sales reaching NT\$1.202 billion. This achievement demonstrates the Company's professional capabilities in the field of green finance, while also highlighting its commitment to guiding investors toward sustainability issues and active participation in ESG investments.

The "ESG Inclusive Green Finance Program" is an innovative collaboration between the Company, The Shanghai Commercial & Savings Bank, Ltd., and GreenhopeTW. The program encourages consumers to engage in green consumption by establishing personal carbon accounts, allowing them to apply carbon credits to agreed stock savings with the Company and enjoy fee discounts. This initiative significantly fosters the habit of green consumption and tightly integrates ESG concepts with the practice of inclusive finance, creating convenient channels for the public to participate in sustainable finance.

8.3.4 Anti-Fraud Foundation: Establishing a Robust Governance Structure

In the era of rapidly expanding digital finance, fraudulent schemes have become increasingly diverse. Protecting investors from fraud is no longer a single risk-prevention strategy but rather a core responsibility of the Company in advancing inclusive finance. Upholding the dual principles of the “duty of care and loyalty” and “Friendly Finance,” the Company has built a comprehensive, multi-layered anti-fraud protection network that safeguards client assets through institutional frameworks, educational campaigns, and technological defenses.

A sound institutional framework is the fundamental guarantee for effective action. In 2024, the Company formally established the “Anti-Fraud Operating Procedures,” elevating anti-fraud measures from incident-specific responses to an organization-wide institutional standard. This represents the Company’s firm commitment to protecting investors’ rights and interests.

The Company has developed a clear governance system for anti-fraud initiatives, ensuring a comprehensive and effective structure with well-defined responsibilities, operational processes, and evaluation mechanisms. Institutional development serves as the cornerstone of the Company’s anti-fraud efforts, advancing them into a more mature and standardized phase to ensure the transformation of anti-fraud initiatives from concepts into practice:

- **Board of Directors:** As the highest supervisory body, it regularly reviews reports from implementing units, monitors the progress and results of performance targets, and ensures alignment between anti-fraud strategies and the Company’s overall development direction.
- **Integrity and Sustainable Development Committee:** Responsible for deliberating on anti-fraud policies and major decisions, providing guidance for anti-fraud initiatives.
- **Integrity and Sustainable Development Operation Office:** Under the direct leadership of the President, it plans specific execution strategies and action plans while regularly reviewing implementation progress.
- **Fair Customer Treatment Task Force:** As the dedicated unit for anti-fraud implementation, it is tasked with executing action plans, regularly collecting information, consolidating departmental execution programs, and monitoring progress to ensure anti-fraud measures are thoroughly implemented across all areas of the Company.
- **Business Units:** Positioned at the front line of anti-fraud operations, they are responsible for carrying out daily preventive measures, training employees to identify suspicious transactions, and establishing the Securities Specialist Fraud-Prevention Reporting Mechanism, thereby forming a robust first line of defense against fraud. In particular, when Securities Specialists successfully identify and prevent fraud, their actions are duly recorded and reported. These cases not only serve as valuable references for accumulating experience but are also incorporated into performance rewards, encouraging employees to actively participate in anti-fraud efforts.

It is worth emphasizing that building a culture of security is a long-term endeavor requiring continuous investment and patient cultivation. Therefore, the focus is not only on “knowledge transfer” but also on “awareness cultivation.” Through daily campaigns, video case sharing, and other initiatives, the Company helps employees deeply understand the importance of anti-fraud, cultivating risk awareness and a sense of responsibility so that they voluntarily integrate anti-fraud requirements into their daily work.

Key Achievements

Received the
“Outstanding Award in Anti-Fraud Evaluation”
from the Taiwan Stock Exchange

First-Line Guardians

The effectiveness of anti-fraud efforts is ultimately reflected in each fraud case successfully prevented. In 2024, the Company’s anti-fraud training and mechanisms played a crucial role in actual cases, with our front-line employees becoming the true guardians of client assets.

Two employees demonstrated exceptional professional judgment and a strong sense of responsibility at critical moments, successfully helping clients identify fraudulent schemes and avoid significant financial losses. These employees not only represented themselves but also served as proof of the success of the Company’s anti-fraud system.

To recognize their outstanding contributions, the Company presented special awards to these two employees. This recognition not only affirms their personal efforts but also delivers a clear message to all employees: anti-fraud is not just a slogan but a core value essential to business operations. Every employee is an important participant and promoter of anti-fraud actions.

Through routine work and the dedication of colleagues, critical roles were played in building an invisible yet solid protective shield for clients. Each fraud attempt that was timely identified and stopped effectively safeguarded client assets and contributed to the overall financial security of society. The Company will continue to refine its anti-fraud mechanisms and foster anti-fraud awareness, standing at the front line of financial services to protect clients’ asset security.

8.3.5 Comprehensive Anti-Fraud Awareness and Education



Knowledge is the first line of defense against fraud. The Company continues to deepen the breadth and depth of anti-fraud awareness and education by leveraging diverse communication channels and activities to enhance clients' risk prevention awareness and strengthen the social defense against fraud.

A prominent anti-fraud section has been placed on the Company's official website homepage, serving not only as an information window but also as a comprehensive resource center. It enables the public to learn how to correctly identify the Company's official channels to avoid falling into counterfeit websites or fake app traps; understand current fraud tactics and prevention measures; access anti-fraud hotlines and links to relevant institutions; and watch carefully produced awareness videos that use vivid cases to teach fraud detection techniques.

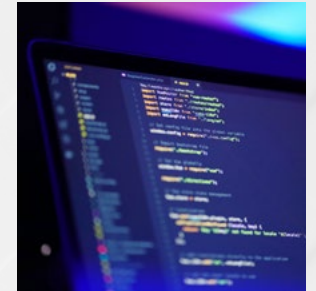
At the same time, in-person campaigns remain an important platform for face-to-face communication with clients. In 2024, the Company held a total of 271 anti-fraud awareness activities, reaching 6,533 participants. These activities not only screened anti-fraud awareness videos but also arranged for professionals to analyze fraud tactics and prevention measures in detail, reinforcing warning effects through real case sharing, spreading anti-fraud knowledge, and building a network of fraud prevention awareness.

This year, the Company also actively cooperated with the Taiwan Stock Exchange's 5D Anti-Fraud Campaign, producing anti-fraud videos and participating in the "Anti-Fraud Dance Challenge," using youthful and lively formats to spread anti-fraud concepts, attract the attention of young investors, and expand the audience coverage of anti-fraud awareness.

The "Capital Securities Loves Reading" program represents a forward-looking, family-oriented initiative. During school visits to remote elementary schools, the Company incorporated financial literacy and fraud prevention content suitable for children through engaging lessons and interactive games, helping children establish correct financial knowledge from an early age and preparing them to become a solid line of defense for themselves in the future.

The effectiveness of anti-fraud education is not achieved overnight but through gradual and cumulative influence. Through continuous knowledge dissemination and awareness cultivation, the Company aims to build a collective immunity against fraud in society, enabling every investor to remain clear-headed and alert in the complex financial environment, thereby safeguarding their wealth.

8.3.6 Technology as a Shield: Application of Advanced Anti-Fraud Technologies



In 2024, the Company explored the potential of technology in the anti-fraud field, establishing a multi-layered technical defense system to safeguard client assets with a strong technological shield.

The Company adopted RSA counterfeit monitoring services to prevent online fraud. In cooperation with professional firms, a 24/7 monitoring system was established to detect websites, applications, and social media accounts that might fraudulently use the Company's name. Once counterfeit content was discovered, a rapid response mechanism was triggered to immediately remove the fraudulent material, minimizing client risks. This year, multiple counterfeit websites and apps were identified and taken down, effectively cutting off fraudsters' operational channels.

In addition, the Company completed a comprehensive upgrade of its email encryption mechanism, upgrading all external email servers to TLS encryption transmission. This enhancement increased the security of email communications between the Company and its clients, ensuring sensitive information is not intercepted or stolen, and effectively reducing the risk of data leakage.

8.3.7 Capital Securities “Love Reading” Program: Planting the Seeds of Knowledge



“When you see the attentive eyes of children listening closely, you realize that financial knowledge—though seemingly complex—can become a crucial tool to change their future.”

The value of a corporation lies not only in its business achievements but also in its care and contribution to society. Guided by the principle of “taking from society and giving back to society,” the Company regards social welfare as a cornerstone of sustainable corporate development.

Education, in particular, is a key force in changing life trajectories. By transforming corporate resources into educational opportunities, the “Capital Securities Love Reading” program plants the seeds of knowledge in remote areas, ensuring that children, regardless of location, can access the treasures of learning. After 11 years of cultivation and growth, the program has evolved from simple book donations into a comprehensive educational initiative that integrates reading promotion, financial education, and social participation, injecting continuous vitality into education in Taiwan.

The program has reached 16 remote schools across 13 counties and cities in Taiwan, with an annual budget of at least NT\$1.6 million and benefiting 746 students in 2024. Inclusive care is reflected not only in geographic coverage—from north to south, from western cities to eastern mountain areas—but also in the expansion of program content. A series of thoughtfully designed interactive experiences and educational activities embody both deep reflection on the essence of education and concrete actions, underscoring the Company’s long-term commitment to equal distribution of educational resources.

The success of the program could not have been achieved without the dedication of its volunteer team. In 2024, 39 Company employees voluntarily formed a team of volunteers, contributing a total of 218 hours. Their efforts went beyond sorting and donating books; they also entered classrooms directly to share practical knowledge on financial literacy and anti-fraud awareness in engaging and easy-to-understand ways.

The cultivation of financial literacy and risk awareness is often absent in remote education. By transforming knowledge into lively and interesting lessons, the program helps children build sound money management concepts from an early age.

8.3.8 “Urban Tour”: A Magical Journey to Broaden Horizons



The “Urban Tour” program opens a new window for students from remote schools to experience the outside world, enabling them to step out of familiar environments and explore the cultural atmosphere of cities.

In 2024, the Company invited students and teachers from Dachen Elementary School and Guishan Elementary School—a total of 107 participants—to enjoy the Oscar-nominated animated film *Robot Dreams* at the Eslite Art House. The film, which explores the relationship between humans and technology, not only provided visual enjoyment but also inspired children to reflect on the future world. The students later visited the Eslite Bookstore and Songshan Cultural and Creative Park, where they experienced the charm of cultural preservation and innovation through the integration of historical architecture and modern creativity, while also being inspired by the atmosphere of reading.

Through tangible urban–rural exchanges, students from remote schools experienced both physical and spiritual journeys, sparking their desire for knowledge and planting seeds for future learning. As one participating student remarked: “This is the first time I’ve been to such a big cinema. It feels like the whole world has become completely different.” Such sentiments represent the most precious educational outcome of the “Urban Tour” program.

Through the “Urban Tour” initiative, the Company helps more children raise the sails of knowledge and embark on a journey toward a broader ocean of life.

8.3.9 The Power of Life through Blood Donation



“Spreading Love and Happiness Through Blood Donation” campaign

Blood, an ordinary yet irreplaceable source of life, connects countless strangers. The “Spreading Love and Happiness Through Blood Donation” campaign has become a remarkable highlight of the Company’s inclusive finance and public welfare efforts. For 17 consecutive years, it has demonstrated our long-term commitment to supporting medical resources in society.

In 2024, the Company organized 24 blood donation events across Taiwan, covering both urban and community locations, ensuring that the goodwill of blood donation reached everywhere. Beyond simple numerical growth, these events gathered 391 employee volunteers who devoted a total of 663.5 hours—not only guiding participants and maintaining order at the sites but also providing warmth and encouragement, infusing humanity into public welfare.

The results of the campaign were inspiring: a total of 1,067 caring individuals donated blood, contributing 1,551 units. Each unit represents hope for the continuation of life and serves as an indispensable resource for the medical system. Every bag of blood may become a lifesaving remedy in critical moments, underscoring the profound significance of these invisible yet vital connections of life.

In 2024, the Company partnered with GreenhopeTW to launch the incentive “Donate Blood and Receive 100 Carbon Points.” In addition to practical gifts such as insulated bags and handmade soaps, participants received 100 sustainable carbon points, which could be redeemed for installment stock savings rewards, converted into cash, or used as credits in the sustainability marketplace. This innovative mechanism seamlessly integrated ESG concepts with public welfare, creating multiple layers of value and encouraging more individuals to engage in charitable activities.

The meaning of blood donation goes far beyond medical support; it embodies the collective spirit of mutual assistance in modern society. Donors, volunteers, and recipients together form a social support network, igniting the spark of hope for more lives.

8.3.10 Warming Society: A Reliable Support for Disadvantaged Groups

Inclusive finance should genuinely reflect care for socially disadvantaged groups. Through diversified support measures, the Company provides substantive assistance to these groups, jointly building a more inclusive and equitable social environment.

In 2024, the Company continued to expand its care program for the visually impaired. Beginning in July, visually impaired massage therapists were formally included as part of the Company's workforce. This initiative goes beyond simply offering employment opportunities—it affirms the professional skills of visually impaired individuals, providing stable job opportunities and career development platforms. The Company aims to help them achieve both economic independence and personal value, while also offering employees high-quality relaxation and stress-relief services, creating a win-win outcome.

On the procurement side, priority is given to products from disadvantaged groups and local small farmers. For example, the Company purchased 1,700 gift items produced by the FHL Intellectual Development Center, with a total value of NT\$272,000; as well as local products such as Tian Yue Sun Shi fruit tea gift sets, Blueseeds aromatherapy gift boxes, carnations from Tianwei

Township, and Madou pomelos. These purchases were used for employee care and various company activities, meeting corporate needs while providing economic support to disadvantaged groups and local small farmers, thereby embodying the social value of consumption.

The “Natural Ecology Protection Advocacy Action” initiative cleverly combined environmental concepts with social engagement. An event was held at the Stonbo Organic Farm in Toucheng, Yilan, inviting about 30 VIP clients and employees to participate. Through on-site exploration and interactive sustainability workshops, participants gained an in-depth understanding of the black soldier fly ecological recycling system, which transforms organic waste into resources, thereby achieving zero-waste, low-carbon farming operations.

The event also featured a green, low-carbon lunch prepared with farm-grown produce and local ingredients, enabling participants to experience the natural “farm-to-table” flavors. This not only enhanced clients' understanding and practice of sustainable ecology but also reinforced the Company's influence in ecological protection advocacy, achieving the dual goals of environmental education and client relationship building.



“Natural Ecology Protection Advocacy Action” at the Stonbo Organic Farm in Toucheng, Yilan



8.3.11 Multi-Layered Equality Strategy: Comprehensive Breakthrough from Interface to Awareness



The practice of digital equality is not a single technological improvement, but rather a multi-layered strategic approach that spans hardware to software, technology to cognition, and services to education, comprehensively building a digital finance framework.

The Company redesigned its application with large-font layouts, high-contrast colors, and intuitive navigation processes to meet the visual and operational needs of different users. Among these, the improvement of the “Capital Pay 2.0” was particularly notable, redefining the brand’s digital identity with a softer yet dynamic color aesthetic, simplifying information presentation, and enhancing the overall user experience.

The “Account Opening 2.0” integrates rapid identity verification and online review technologies, enabling clients to complete the account opening process in as little as three minutes. This effectively empowers time-constrained groups, individuals with limited mobility, and residents in remote areas, ensuring that financial services truly transcend time and space barriers.

In 2024, the Company further promoted the use of smart order placement, completely lowering the barriers to financial service access. This helped small-scale investors, youth, students, and elderly groups substantially reduce the digital gap. The electronic order ratio exceeded 83%, with the number of users placing electronic orders growing by 1.70% year-on-year. Notably, among clients over the age of 50, the usage of digital services increased by 47%, demonstrating the effectiveness of the digital equality strategy.

The Company has established a comprehensive digital equality framework that encompasses interface optimization, service innovation, educational outreach, and security protection. Looking ahead, the Company will further deepen practices across various areas while strengthening collaboration with group affiliates, external organizations, and government institutions to expand the influence of digital equality. This not only promotes inclusive finance but also upholds human dignity and equality, setting a benchmark for the financial industry and building a solid bridge toward a digital financial world that is more inclusive, equitable, and filled with human care.

Appendix



1.Green Finance-Related Data

The Company, in accordance with the “Directions for Stewardship and Sustainable Investment” and “Stewardship Principles for Institutional Investors”, as well as the internal control system for proprietary trading decision-making, incorporates the execution of sustainable operations into proprietary investment considerations. In addition to focusing on the profitability and growth potential of investment targets, the Company also promotes the importance of Environmental (E), Social (S), and Governance (G) factors among investment targets, thereby exerting the influence of green finance. After assessment, the implementation of sustainable investment strategies and the screening of investment targets have not resulted in significant financial impacts, demonstrating the effective integration of the Company’s green finance with its business activities.

Furthermore, through attending shareholders’ meetings, exercising voting rights, on-site visits, email exchanges, telephone or video conferences, and participation in corporate presentations, the Company engages with the management of investee companies on sustainability-related topics, assisting them in advancing toward net zero, green, and sustainable transformation.

In addition, under the Voting Policy, before exercising voting rights at shareholders’ meetings (including electronic voting), the Company considers sustainability-related factors such as environmental protection, employees, human rights, social responsibility, regulatory compliance, adverse news, and corporate governance, while ensuring that its decisions do not contravene the requirements of the policy.

1.1 Underwriting Revenue Incorporating ESG Factors

In its underwriting business, the Company actively provides IPO (Initial Public Offering advisory and listing guidance) and SPO (Secondary Public Offering fundraising) services to industries related to green energy, environmental protection, and sustainability. In line with the Directions for Stewardship and Sustainable Investment, the Corporate Finance Department ESG Underwriting, Advisory, and Investment Sustainability Assessment Procedures, and the Corporate Finance Department ESG Underwriting, Advisory, and Investment Sustainability Assessment Indicators Table, the Company incorporates ESG factors into business decision-making processes such as case acceptance, underwriting advisory, and investment evaluation. This ensures comprehensive assessment of corporate sustainability development and effective risk management.

Department	Underwriting Business	Underwriting Revenue	Proportion
Investment Banking Department	Electronics Industry	17,483,767	21.0%
	Shipping Industry	6,742,999	8.1%
	Semiconductor Industry	4,400,000	5.3%
	Textile & Fiber	2,826,480	3.4%
	Subtotal	31,453,246	37.8%
Fixed Income Department	General Bonds	44,895,000	53.9%
	Sustainability Bonds	6,930,000	8.3%
	Subtotal	51,825,000	62.2%
Total		83,278,246	100%

Unit: NT\$



1.2 Loans/Investments Incorporating ESG Factors

Domestic Targets (NTD)

Industry	Total	ESG-Incorporated Amount
Cement Industry	813,384,707	744,562,027
Sports & Leisure	274,167,952	39,512,950
Shipping Industry	794,555,885	462,219,070
Green Energy & Environmental Protection	458,286,217	422,390,752
Steel Industry	780,110,527	637,008,190
Automotive Industry	265,168,604	94,827,450
Electronics Distribution	705,106,906	34,614,510
Trading & General Merchandise	13,190,950	-
Optoelectronics	461,006,110	123,431,481
Financial & Insurance	3,666,738,843	3,581,068,131
Textile & Fiber	983,554,741	879,556,101
Plastics Industry	1,411,918,970	1,400,000,000
Electrical Equipment & Cables	243,629,124	206,363,259
Biotechnology & Healthcare	599,881,232	112,313,378
Digital Cloud	75,549,710	47,654,500
Home Living Industry	2,810,130	-
Others	4,613,570,651	4,526,344,437

Foreign Targets (NTD)

Industry	Total	ESG-Incorporated Amount
Finance	16,260,492,144	16,260,492,144
Utilities	1,077,727,608	1,077,727,608
Healthcare	1,425,075,649	1,425,075,649
Energy	484,149,573	484,149,573
Automotive	295,122,601	295,122,601
Retail	168,266,385	168,266,385
Consumer Staples	247,832,514	247,832,514

1.3 Underwriting of Sustainability Bonds

Issuer	Type of Sustainability Bond	Number of Lead/ Co-Lead Mandates	Underwriting Amount
China Steel Corporation	Green Bond	1	100,000,000
Taiwan Power Company	Green Bond	9	3,830,000,000
TSMC	Green Bond	4	2,000,000,000
Nanya Technology Corporation	Green Bond	1	200,000,000
Far Eastern New Century Corporation	Green Bond	2	700,000,000
合計		17	6,830,000,000

Unit: NT\$



2.Group Affiliates Data

2.1 New Hires and Resignations within Capital Group

Capital Investment Management Corp.

Age	New Hires	New Hire Rate	Resignations	Resignation Rate
29 and below	3	60.00%	1	20.00%
30-39	1	11.11%	0	0.00%
40-49	2	14.29%	1	7.14%
50 and above	0	0.00%	0	0.00%
Subtotal	6	21.43%	2	7.14%
29 and below	0	0.00%	1	20.00%
30-39	2	22.22%	1	11.11%
40-49	1	7.14%	3	21.43%
50 and above	0	0.00%	0	0.00%
Subtotal	3	23.08%	5	38.46%

CSC Venture Capital Corp.

Age	New Hires	New Hire Rate	Resignations	Resignation Rate
29 and below	0	0.00%	0	0.00%
30-39	0	0.00%	0	0.00%
40-49	0	0.00%	0	0.00%
50 and above	0	0.00%	0	0.00%
Subtotal	0	0.00%	0	0.00%
29 and below	0	0.00%	0	0.00%
30-39	0	0.00%	0	0.00%
40-49	0	0.00%	0	0.00%
50 and above	0	0.00%	0	0.00%
Subtotal	0	0.00%	0	0.00%

Capital Insurance Advisory Corp.

Age	New Hires	New Hire Rate	Resignations	Resignation Rate
29 and below	0	0.00%	0	0.00%
30-39	1	25.00%	0	0.00%
40-49	1	10.00%	2	20.00%
50 and above	0	0.00%	1	16.67%
Subtotal	2	15.38%	3	23.08%
29 and below	0	0.00%	0	0.00%
30-39	1	25.00%	0	0.00%
40-49	0	0.00%	2	20.00%
50 and above	0	0.00%	0	0.00%
Subtotal	1	14.29%	2	28.57%

CSC Capital Management Corp.

Age	New Hires	New Hire Rate	Resignations	Resignation Rate
29 and below	0	0.00%	0	0.00%
30-39	1	100.00%	1	100.00%
40-49	0	0.00%	0	0.00%
50 and above	0	0.00%	0	0.00%
Subtotal	1	100.00%	1	100.00%
29 and below	0	0.00%	0	0.00%
30-39	0	0.00%	0	0.00%
40-49	0	0.00%	0	0.00%
50 and above	0	0.00%	0	0.00%
Subtotal	0	0.00%	0	0.00%

Note 1: Based on the number of employees as of December 31, 2024, the end date of the reporting period.

Note 2: Subtotals are calculated using the number of employees in each category as the denominator. For example, the resignation rate for male employees is calculated using the total number of male employees as the denominator, and the new hire rate for employees under 30 is calculated using the total number of employees in that age group as the denominator.



2.2 Diversity Distribution of Employees in Group

Capital Investment Management Corp.		Male	Female	Total	Ratio (%)
Age	29 and below	4	1	5	12.20%
	30-49	14	9	23	56.10%
	50 and above	10	3	13	31.71%
Total		28	13	41	100.00%
Education	High School or below	0	0	0	0.00%
	College (including university, junior college, and technical institutes)	5	9	14	34.15%
	Master' s	23	4	27	65.85%
	Doctoral	0	0	0	0.00%
Total		28	13	41	100.00%
Position	Managerial	8	1	9	21.95%
	Non-Managerial	20	12	32	78.05%
Total		28	13	41	100.00%
Contract Type	Indefinite-term / Full-time	28	13	41	100.00%
	Fixed-term / Part-time	0	0	0	0.00%
Total		28	13	41	100.00%

CSC Venture Capital Corp.		Male	Female	Total	Ratio (%)
Age	29 and below	0	0	0	0.00%
	30-49	1	2	3	60.00%
	50 and above	2	0	2	40.00%
Total		3	2	5	100.00%
Education	High School or below	0	0	0	0.00%
	College (including university, junior college, and technical institutes)	0	2	2	40.00%
	Master' s	3	0	3	60.00%
	Doctoral	0	0	0	0.00%
Total		3	2	5	100.00%
Position	Managerial	2	1	3	60.00%
	Non-Managerial	1	1	2	40.00%
Total		3	2	5	100.00%
Contract Type	Indefinite-term / Full-time	3	2	5	100.00%
	Fixed-term / Part-time	0	0	0	0.00%
Total		3	2	5	100.00%

Capital Insurance Advisory Corp.		Male	Female	Total	Ratio (%)
Age	29 and below	0	0	0	0.00%
	30-49	10	4	14	70.00%
	50 and above	3	3	6	30.00%
Total		13	7	20	100.00%
Education	High School or below	1	0	1	5.00%
	College (including university, junior college, and technical institutes)	9	7	16	80.00%
	Master' s	3	0	3	15.00%
	Doctoral	0	0	0	0.00%
Total		13	7	20	100.00%
Position	Managerial	2	2	4	20.00%
	Non-Managerial	11	5	16	80.00%
Total		13	7	20	100.00%
Contract Type	Indefinite-term / Full-time	13	7	20	100.00%
	Fixed-term / Part-time	0	0	0	0.00%
Total		13	7	20	100.00%

CSC Capital Management Corp.		Male	Female	Total	Ratio (%)
Age	29 and below	0	0	0	0.00%
	30-49	1	1	2	100.00%
	50 and above	0	0	0	0.00%
Total		1	1	2	100.00%
Education	High School or below	0	0	0	0.00%
	College (including university, junior college, and technical institutes)	1	1	2	100.00%
	Master' s	0	0	0	0.00%
	Doctoral	0	0	0	0.00%
Total		1	1	2	100.00%
Position	Managerial	0	1	1	50.00%
	Non-Managerial	1	0	1	50.00%
Total		1	1	2	100.00%
Contract Type	Indefinite-term / Full-time	1	1	2	100.00%
	Fixed-term / Part-time	0	0	0	0.00%
Total		1	1	2	100.00%

Note 1: Based on the number of employees as of December 31, 2024.
Note 2: There were no significant changes in the total number of employees during the reporting period.



2.3 Training Course Types, Participants, Regions, and Total Hours in Capital Group

Company		Capital Investment Management Corp.			Capital Insurance Advisory Corp.			CSC Venture Capital Corp.			CSC Capital Management Corp.		
		Total Number of Employees ^(A)	Total Training Hours ^(B)	Average Hours ^{(B) / (A)}	Total Number of Employees ^(A)	Total Training Hours ^(B)	Average Hours ^{(B) / (A)}	Total Number of Employees ^(A)	Total Training Hours ^(B)	Average Hours ^{(B) / (A)}	Total Number of Employees ^(A)	Total Training Hours ^(B)	Average Hours ^{(B) / (A)}
Position	Non-Managerial	32	661	20.66	16	435.5	27.22	2	14.5	7.25	1	23	23
	Managerial	9	206	22.89	4	158	39.5	3	22	7.33	1	30.5	30.5
Contract Type	Indefinite-term	41	867	21.15	20	593.5	29.68	5	36.5	7.3	2	53.5	26.75
	Fixed-term	0	0	0	0	0	0	0	0	0	0	0	0
	Full-time	41	867	21.15	20	593.5	29.68	5	36.5	7.3	2	53.5	26.75
	Part-time	0	0	0	0	0	0	0	0	0	0	0	0
Gender	Male	28	513	18.32	13	335.5	25.81	3	33.5	11.17	1	23	23
	Female	13	354	27.23	7	258	36.86	2	3	1.5	1	30.5	30.5
Course Type	External Training	41	361	12.89	20	56	2.8	5	0	0	1	6	6
	Internal Training	41	506	38.92	20	537.5	26.88	5	36.5	7.3	1	47.5	47.5

Note: Statistics are based on company-wide planned physical/online courses and do not include training arranged by department heads according to departmental planning or individual self-learning and growth plans.

2.4 Performance Evaluation in Capital Group

Company		Capital Investment Management Corp.			Capital Insurance Advisory Corp.			CSC Venture Capital Corp.			CSC Capital Management Corp.		
		Total Number of Employees	Number of Employees Evaluated	Ratio	Total Number of Employees	Number of Employees Evaluated	Ratio	Total Number of Employees	Number of Employees Evaluated	Ratio	Total Number of Employees	Number of Employees Evaluated	Ratio
Position	Non-managerial	32	26	81.25%	16	15	93.75%	2	2	100.00%	1	1	100.00%
	Managerial	9	9	100.00%	4	4	100.00%	3	3	100.00%	1	1	100.00%
Gender	Male	28	23	82.14%	13	13	100.00%	3	3	100.00%	1	1	100.00%
	Female	13	12	92.31%	7	6	85.71%	2	2	100.00%	1	1	100.00%



2.5 Summary of Parental Leave and Reinstatement in Capital Group

	Gender	Number of Employees Eligible for Parental Leave in the Current Year	Number of Employees Applying for Parental Leave in the Current Year (A)	Number of Employees Due to Return in the Current Year (B)	Reinstatement Rate (B) / (A)	Number of Employees Remaining Employed for Over 12 Months After Reinstatement (C)	Retention Rate (C) / (B)	Actual Number of Employees Reinstated from Parental Leave in the Previous Year (D)
Capital Investment Management Corp.	Female	0	0	0	0%	0	0%	0
	Male	1	0	0	0%	0	0%	0
Capital Insurance Advisory Corp.	Female	0	0	0	0%	0	0%	0
	Male	0	0	0	0%	0	0%	0
CSC Venture Capital Corp.	Female	0	0	0	0%	0	0%	0
	Male	0	0	0	0%	0	0%	0
CSC Capital Management Corp.	Female	0	0	0	0%	0	0%	0
	Male	0	0	0	0%	0	0%	0

2.6 Employee Benefits in Capital Group

Benefit Items	Utilization Status			
	Capital Investment Management Corp.	Capital Insurance Advisory Corp.	CSC Venture Capital Corp.	CSC Capital Management Corp.
Insurance	Medical Accident Insurance: 1	Medical Accident Insurance: 4	0	0
Retirement System	0	1	0	0

3.2024 Greenhouse Gas Emission Inventory

Scopes and Categories	2024 Emissions (tCO2e)
Scope 1	
Category 1: Direct greenhouse gas (GHG) emissions and removals	340.9056
Subtotal for Scope 1	340.9056
Scope 2	
Category 2: Indirect GHG emissions from imported energy	4,816.6025
Subtotal for Scope 2	4,816.6025
Scope 3	
Category 3: Indirect GHG emissions from transportation	Not material
Category 4: Indirect GHG emissions from products used by the organization	978.2719
4.1 Emissions from purchased goods or services	956.3883
4.2 Emissions from capital goods	Not material
4.3 Emissions from waste generated in operations	21.8836
4.4 Emissions from leased assets	Not material
4.5 Emissions from services not described in the above subcategories	Not material
Category 5: Indirect GHG emissions from products produced by the organization	212,595.6286
5.1 Emissions or removals from product use phase	Not material
5.2 Emissions from downstream leased assets	Not material
5.3 Emissions from end-of-life treatment of products	Not material
5.4 Emissions from investments	212,595.6286
Category 6: Indirect GHG emissions from other sources	Not material
Subtotal for Scope 3	213,573.9005
Total	218,731.4086

4.GRI Standards Content Index

Capital Securities Corp. has referenced the GRI Standards to report information cited in the GRI Content Index for the year 2024 (January 1, 2024 to December 31, 2024).

GRI 1 : Foundation 2021 Applicable GRI Sector Standards: None.

GRI 2 : General Disclosure 2021

GRI Disclosure Number	Disclosure Title	Chapter or Content Explanation	Page
GRI 2: General Disclosure 2021			
2-1	Organizational Details	About the Report	1
2-2	Entities included in the organization's sustainability reporting	About the Report	1
2-3	Reporting period, frequency and contact point	About the Report	1
2-4	Restatements of information	No such circumstances occurred in 2024.	-
2-5	External assurance	Appendix 9. Assurance Report and Verification Statement	150
2-6	Activities, value chain and other business relationships	1.1 Brand Development 1.2 Sustainable Brand Value Strategy The Company's 2024 Annual Report, Section IV: Operation Overview	7 11
2-7	Employees	7.1.2 Diversity, Inclusion, and Workplace Equality	99
2-8	Workers who are not employees	7.1.2 Diversity, Inclusion, and Workplace Equality	99
2-9	Governance structure and composition	1.3 Demonstrating Leadership	14
2-10	Nomination and selection of the highest governance body	1.3 Demonstrating Leadership	14
2-11	Chair of the highest governance body	1.3 Demonstrating Leadership	14
2-12	Role of the highest governance body in overseeing the management of impacts	1.3 Demonstrating Leadership 2.1 Organizational Structure and Leadership 3.1.1 Governance Framework for Ethical Corporate Management 3.2.1 Risk Management Framework 3.3.1 Compliance Framework 4.1 Climate Governance Mechanism 5.1 Green Operations Pathway 6.1 Guardian of Digital Finance 6.2 Solid Defense for Privacy Protection 6.3 Demonstrating Resilient Services 7.1.1 Human Rights Policy and Commitment 8.1.1 Fair Customer Treatment Governance Structure	14 19 30 33 38 45 69 83 87 89 98 122

GRI Disclosure Number	Disclosure Title	Chapter or Content Explanation	Page
2-13	Delegation of responsibility for managing impacts	1.3 Demonstrating Leadership 2.1 Organizational Structure and Leadership 3.1.1 Governance Framework for Ethical Corporate Management 3.2.1 Risk Management Framework 3.3.1 Compliance Framework 4.1 Climate Governance Mechanism 5.1 Green Operations Pathway 6.1 Guardian of Digital Finance 6.2 Solid Defense for Privacy Protection 6.3 Demonstrating Resilient Services 7.1.1 Human Rights Policy and Commitment 8.1.1 Fair Customer Treatment Governance Structure	14 19 30 33 38 45 69 83 87 89 98 122
2-14	Role of the highest governance body in sustainability reporting	1.3 Demonstrating Leadership 2.1 Organizational Structure and Leadership	14 19
2-15	Conflicts of interest	1.3.2 Independence and Prevention of Conflicts of Interest 3.1 Ethical corporate management	15 30
2-16	Communication of critical concerns	1.3.7 Monitoring of Sustainability Issues 3.1 Ethical corporate management 3.2.2 Risk Identification and Management Measures 3.3 Regulatory compliance 4.1 Climate Governance Mechanism 5.1 Green Operations Pathway 6.1 Guardian of Digital Finance 6.2 Solid Defense for Privacy Protection 6.3 Demonstrating Resilient Services 6.4 Breakthroughs in Digital Financial Innovation 7.1 Employee Rights Protection 8.1 Commitment to Excellent Service	17 30 34 38 45 69 83 87 89 92 98 122
2-17	Collective knowledge of the highest governance body	1.3.6 Continuing Education	17
2-18	Evaluation of the performance of the highest governance body	1.3.7 Monitoring of Sustainability Issues	17
2-19	Remuneration policies	1.3.5 Performance and Remuneration 7.3 Incentive Compensation 2024 Annual Report, pp. 23–25 Salary information of full-time employees not holding managerial positions can be found on page 137 of the Company's 2024 Annual Report.	16 109



GRI Disclosure Number	Disclosure Title	Chapter or Content Explanation	Page
2-20	Process to determine remuneration	1.3.5 Performance and Remuneration	16
2-21	Annual total compensation ratio	7.3.1 Fair and Reasonable Compensation Structure	109
2-22	Statement on sustainable development strategy	Message from the Chairperson	4
2-23	Policy commitments	1.2 Sustainable Brand Value Strategy	11
		3.1 Ethical corporate management	30
		3.2 Risk Management	33
		3.3 Regulatory compliance	38
		4.1 Climate Governance Mechanism	45
		5.1 Green Operations Pathway	69
		6.1 Guardian of Digital Finance	83
		6.2 Solid Defense for Privacy Protection	87
		6.3 Demonstrating Resilient Services	89
		6.4 Breakthroughs in Digital Financial Innovation	92
2-24	Embedding policy commitments	7.1 Employee Rights Protection	98
		8.1 Commitment to Excellent Service	122
		1.2 Sustainable Brand Value Strategy	11
		3.1 Ethical corporate management	30
		3.2 Risk Management	33
		3.3 Regulatory compliance	38
		4.1 Climate Governance Mechanism	45
		5.1 Green Operations Pathway	69
		6.1 Guardian of Digital Finance	83
		6.2 Solid Defense for Privacy Protection	87
2-25	Processes to remediate negative impacts	6.3 Demonstrating Resilient Services	89
		6.4 Breakthroughs in Digital Financial Innovation	92
		7.1 Employee Rights Protection	98
		8.1 Commitment to Excellent Service	122
2-26	Mechanisms for seeking advice and raising concerns	3.1 Ethical corporate management	30
		3.3 Regulatory compliance	38
		7.1 Employee Rights Protection	98
		8.2 Listening to the Voice of Clients	126
2-27	Compliance with laws and regulations	3.1 Ethical corporate management	30
		3.3 Regulatory compliance	38
		7.1 Employee Rights Protection	98
		8.2 Listening to the Voice of Clients	126
2-28	Membership associations	3.1 Ethical corporate management	30
		3.3 Regulatory compliance	38
		7.1 Employee Rights Protection	98
		8.2 Listening to the Voice of Clients	126
2-29	Approach to stakeholder engagement	3.1 Ethical corporate management	30
		3.3 Regulatory compliance	38
		7.1 Employee Rights Protection	98
		8.2 Listening to the Voice of Clients	126

GRI Disclosure Number	Disclosure Title	Chapter or Content Explanation	Page
2-30	Collective bargaining agreements	The Company has not yet established a labor union; therefore, no collective bargaining agreement has been conducted. However, labor-management meetings are held quarterly to ensure adequate communication.	-

Material Topic

GRI Disclosure Number	Disclosure Title	Chapter, Page, or Content Explanation
GRI 3: Material Topic Disclosure 2021		
3-1	Process to determine material topics	2.2 Identification and Prioritization of Material Topics
3-2	List of material topics	2.3 Correspondence of Material Topics
Information Security		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 6.1 Guardian of Digital Finance 6.2 Solid Defense for Privacy Protection
GRI 418 : Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.1 Guardian of Digital Finance 6.2 Solid Defense for Privacy Protection No such circumstances occurred in 2024.
Operating performance		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 1.2 Sustainable Brand Value Strategy
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	1.2 Sustainable Brand Value Strategy
Fair customer treatment		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 3.3 Regulatory compliance 8.1 Commitment to Excellent Service
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	3.3 Regulatory compliance 8.1 Commitment to Excellent Service
417-2	Incidents of non-compliance concerning product and service information and labeling	3.3 Regulatory compliance 8.1 Commitment to Excellent Service No violations of any laws or voluntary codes occurred during the year.
417-3	Incidents of non-compliance concerning marketing communications	3.3 Regulatory compliance 8.1 Commitment to Excellent Service



GRI Disclosure Number	Disclosure Title	Chapter, Page, or Content Explanation
Ethical corporate management		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 4.2 Sustainable Investment Strategy 5.4 Eco-Friendly Measures 6.4 Breakthroughs in Digital Financial Innovation 8.3 Implementation of Inclusive Finance
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Corruption risks are incorporated into the risk assessment for ethical corporate management and regulatory compliance, with findings documented in risk assessment reports. Based on the assessment results, the Company strengthens the effectiveness of its internal control systems. In 2024, assessments were conducted across all business locations in Taiwan.
205-2	Communication and training about anti-corruption policies and procedures	3.1 Ethical corporate management 100% of suppliers signed the ESG commitment clauses.
205-3	Confirmed incidents of corruption and actions taken	3.1 Ethical corporate management No incidents of corruption occurred during the year.
Digital financial innovation technologies and services		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 6.4 Breakthroughs in Digital Financial Innovation
GRI 203: Indirect Economic Impacts 2016		
203-2	Significant indirect economic impacts	6.4 Breakthroughs in Digital Financial Innovation
Sustainable finance		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 4.2 Sustainable Investment Strategy 5.4 Eco-Friendly Measures 6.4 Breakthroughs in Digital Financial Innovation 8.3 Implementation of Inclusive Finance
GRI 201: Economic Performance 2016		
201-2	Financial implications and other risks and opportunities due to climate change	
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	5.4 Eco-Friendly Measures 8.3 Implementation of Inclusive Finance

GRI Disclosure Number	Disclosure Title	Chapter, Page, or Content Explanation
203-2	Significant indirect economic impacts	4.2 Sustainable Investment Strategy 5.4 Eco-Friendly Measures 6.4 Breakthroughs in Digital Financial Innovation 8.3 Implementation of Inclusive Finance
Generational transition		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 7. Talent Empowerment and Care
GRI 201: Economic Performance 2016		
201-3	Defined benefit plan obligations and other retirement plans	7.3.1 Fair and Reasonable Compensation Structure
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	7.3.1 Fair and Reasonable Compensation Structure
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	7.1.2 Diversity, Inclusion, and Workplace Equality 7.4.2 Employee Physical and Mental Health Care Program 7.4.3 Work-Life Balance Program 7.4.4 Employee Care and Support System
401-3	Parental leave	7.4.3 Work-Life Balance Program
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	7.1.1 Human Rights Policy and Commitment 7.1.3 Labor-Management Communication Mechanism
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	7.2.4 Effectiveness Evaluation of Education and Training
404-2	Programs for upgrading employee skills and transition assistance programs	7.2.4 Effectiveness Evaluation of Education and Training 7.4.2 Employee Physical and Mental Health Care Program 7.4.3 Work-Life Balance Program 7.4.4 Employee Care and Support System
404-3	Percentage of employees receiving regular performance and career development reviews	7.3.3 Comprehensive Reward Mechanism
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	7.1.2 Diversity, Inclusion, and Workplace Equality
405-2	Ratio of basic salary and remuneration of women to men	7.1.2 Diversity, Inclusion, and Workplace Equality
Occupational health and safety		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 7. Talent Empowerment and Care

GRI Disclosure Number	Disclosure Title	Chapter, Page, or Content Explanation
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	7.4.1 Occupational Safety and Health Management
403-2	Hazard identification, risk assessment, and incident investigation	7.4.1 Occupational Safety and Health Management
403-3	Occupational health services	7.4.1 Occupational Safety and Health Management 7.4.2 Employee Physical and Mental Health Care Program
403-4	Worker participation, consultation, and communication on occupational health and safety	7.1.3 Labor-Management Communication Mechanism 7.4.1 Occupational Safety and Health Management 7.4.2 Employee Physical and Mental Health Care Program
403-5	Worker training on occupational health and safety	7.4.1 Occupational Safety and Health Management
403-6	Promotion of worker health	7.1.3 Labor-Management Communication Mechanism 7.4.1 Occupational Safety and Health Management 7.4.2 Employee Physical and Mental Health Care Program 7.4.3 Work-Life Balance Program
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	7.1.3 Labor-Management Communication Mechanism 7.4.1 Occupational Safety and Health Management
403-9	Work-related injuries	7.4.1 Occupational Safety and Health Management
403-10	Work-related ill health	7.4.1 Occupational Safety and Health Management
Greenhouse gas emissions control		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 4. Climate Action Pioneer 5.2 Resource Management Dynamics 5.3 Net Zero Pathway and Targets
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	5.2 Resource Management Dynamics
302-3	Energy intensity	5.2 Resource Management Dynamics
302-4	Reduction of energy consumption	5.2 Resource Management Dynamics
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	5.3 Net Zero Pathway and Targets
305-2	Energy indirect (Scope 2) GHG emissions	5.3 Net Zero Pathway and Targets
305-3	Other indirect (Scope 3) GHG emissions	4. Climate Action Pioneer 5.3 Net Zero Pathway and Targets
305-4	GHG emissions intensity	5.3 Net Zero Pathway and Targets
305-5	Reduction of GHG emissions	5.3 Net Zero Pathway and Targets

GRI Disclosure Number	Disclosure Title	Chapter, Page, or Content Explanation
Climate change risks and opportunities		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 4. Climate Action Pioneer
GRI 201: Economic Performance 2016		
201-2	Financial implications and other risks and opportunities due to climate change	4. Climate Action Pioneer
Social welfare activities or programs		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 8.3 Implementation of Inclusive Finance
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	8.3 Implementation of Inclusive Finance
203-2	Significant indirect economic impacts	8.3 Implementation of Inclusive Finance
Regulatory compliance		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 3.3 Regulatory compliance
Custom Topic		
Custom Topic	Regulatory compliance	3.3 Regulatory compliance
Risk Management		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 3.3 Risk Management
Custom Topic		
Custom Topic	Risk Management	3.2 Risk Management
Business continuity		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 6.3 Demonstrating Resilient Services
Custom Topic		
Custom Topic	Business Continuity	6.3 Demonstrating Resilient Services
Promotion of human rights policies		
GRI 3: Material Topic Disclosure 2021		
3-3	Management of material topics	2.2 Identification and Prioritization of Material Topics 7.1.1 Human Rights Policy and Commitment
Custom Topic		
Custom Topic	Promotion of human rights policies	7.1.1 Human Rights Policy and Commitment

5. United Nations Sustainable Development Goals (SDGs) Correspondence Table

Goals	Material Topic	Corresponding GRI Standards Disclosure Items	Chapter or Content Explanation	Page
5 Gender Equality	Regulatory compliance	2-27	Compliance with laws and regulations	38
	Generational transition	401-1	New employee hires and employee turnover	109
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	99 116 117 119
			7.1.2 Diversity, Inclusion, and Workplace Equality	
			7.4.2 Employee Physical and Mental Health Care Program	
			7.4.3 Work-Life Balance Program	
			7.4.4 Employee Care and Support System	
		401-3	Parental leave	117
8 Decent Work and Economic Growth	Fair customer treatment	405-1	Diversity of governance bodies and employees	99
		405-2	Ratio of basic salary and remuneration of women to men	99
		2-23	Policy commitments	98
	Digital financial innovation technologies and services	203-2	Significant indirect economic impacts	92
			6.4 Breakthroughs in Digital Financial Innovation	
			4. Climate Action Pioneer	44
	Sustainable finance	-	5.3 Net Zero Pathway and Targets	77
			5.4 Eco-Friendly Measures	79
12 Responsible Consumption and Production	Operating performance	201-1	Direct economic value generated and distributed	11
			8.1 Commitment to Excellent Service	122
			8.2 Listening to the Voice of Clients	126
	Fair customer treatment	-	8.3 Implementation of Inclusive Finance	127
			4. Climate Action Pioneer	44
			5.3 Net Zero Pathway and Targets	77
			5.4 Eco-Friendly Measures	79
	Climate change risks and opportunities	201-2	Financial implications and other risks and opportunities due to climate change	44
13 Climate Action	Greenhouse gas emissions control	203-1	Infrastructure investments and services supported	127
			8.3 Implementation of Inclusive Finance	127
			5.3 Net Zero Pathway and Targets	77
			5.3 Net Zero Pathway and Targets	77
			4. Climate Action Pioneer	44
			5.3 Net Zero Pathway and Targets	77
			5.3 Net Zero Pathway and Targets	77
	Climate change risks and opportunities	201-2	Financial implications and other risks and opportunities due to climate change	44
17 Partnerships for the Goals	Digital financial innovation technologies and services	-	6.4 Breakthroughs in Digital Financial Innovation	92
			8.3 Implementation of Inclusive Finance	127
			4. Climate Action Pioneer	44
	Sustainable finance	-	5.3 Net Zero Pathway and Targets	77
			5.4 Eco-Friendly Measures	79
			8.3 Implementation of Inclusive Finance	127
	Social welfare activities or programs	203-1	Infrastructure investments and services supported	127
			8.3 Implementation of Inclusive Finance	127

Goals	Material Topic	Corresponding GRI Standards Disclosure Items	Chapter or Content Explanation	Page
8 Decent Work and Economic Growth	Generational transition	404-3	Percentage of employees receiving regular performance and career development reviews	113
	Promotion of human rights policies	2-23	Policy commitments	98
	Social welfare activities or programs	203-1	Infrastructure investments and services supported	79 127
12 Responsible Consumption and Production	Operating performance	201-1	Direct economic value generated and distributed	11
	Fair customer treatment	-	-	8.1 Commitment to Excellent Service 8.2 Listening to the Voice of Clients 8.3 Implementation of Inclusive Finance
	Sustainable finance	203-2	Significant indirect economic impacts	44 77 79
	Climate change risks and opportunities	201-2	Financial implications and other risks and opportunities due to climate change	44
	Social welfare activities or programs	203-1	Infrastructure investments and services supported	127
	Greenhouse gas emissions control	305-1	Direct (Scope 1) GHG emissions	77
13 Climate Action	Greenhouse gas emissions control	305-2	Energy indirect (Scope 2) GHG emissions	77
		305-3	Other indirect (Scope 3) GHG emissions	44 77
		305-4	GHG emissions intensity	77
		305-5	Reduction of GHG emissions	77
		201-2	Financial implications and other risks and opportunities due to climate change	44
	Climate change risks and opportunities	201-2	Financial implications and other risks and opportunities due to climate change	44
17 Partnerships for the Goals	Digital financial innovation technologies and services	-	-	6.4 Breakthroughs in Digital Financial Innovation 8.3 Implementation of Inclusive Finance
	Sustainable finance	-	-	4. Climate Action Pioneer 5.3 Net Zero Pathway and Targets 5.4 Eco-Friendly Measures
	Social welfare activities or programs	203-1	Infrastructure investments and services supported	127



6.Taiwan Stock Exchange

“Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” Appendix

No.	Disclosure Indicators	Disclosure Content	Chapter/Page
1	Explain the board of directors' and management's oversight and governance of climate-related risks and opportunities.	4. Climate Action Pioneer	■ 44
2	Explain how identified climate risks and opportunities impact the Company's business, strategy, and financials (short-term, medium-term, and long-term).	4. Climate Action Pioneer	■ 44
3	Explain the financial impacts of extreme climate events and transition actions.	4. Climate Action Pioneer	■ 44
4	Explain how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	4. Climate Action Pioneer	■ 44
5	If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analytical factors, and key financial impacts.	4. Climate Action Pioneer	■ 44
6	If there are transition plans to manage climate-related risks, explain the plan content, as well as the metrics and targets used to identify and manage physical and transition risks.	4. Climate Action Pioneer	■ 44
7	If internal carbon pricing is used as a planning tool, explain the pricing basis.	In 2024, the Company did not adopt internal carbon pricing as a planning tool; however, the Company will continue to evaluate implementation progress in line with regulatory guidance and industry practices.	-
8	If climate-related targets are set, explain the covered activities, GHG emission scopes, planned timeline, and annual progress; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the targets, explain the source and quantity of carbon reduction offsets or the number of RECs.	4. Climate Action Pioneer 5.3 Net Zero Pathway and Targets 5.4 Eco-Friendly Measures In 2024, the Company did not use carbon offsets or Renewable Energy Certificates (RECs).	■ 44 ■ 77 ■ 79
9	GHG inventory and assurance status.	5.3 Net Zero Pathway and Targets Appendix 9. Assurance Report and Verification Statement	■ 77 ■ 150
The above information can also be found in the Company's 2024 Annual Report, pages 53–56.			



7.Sustainability Disclosure Indicators

In accordance with the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” Article 4, Appendix 1-3 Sustainability Disclosure Indicators for the Financial and Insurance Industry, and Article 2 Sustainability Disclosure Indicators for Securities Firms of the “Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms,” the disclosure requirements are listed as follows:

No.	Disclosure Indicators	Disclosure Content	Chapter/Page
1	Number of information leakage incidents. Percentage of information leakage incidents related to personal data. Number of customers affected by information leakage incidents.	6.1 Guardian of Digital Finance 6.2 Solid Defense for Privacy Protection In 2024, there were no information leakage incidents; therefore, the percentage of incidents related to personal data was 0%, and the number of customers affected by such incidents was 0.	■ 83 ■ 87
2	Number and balance of loans to promote the development of small businesses and communities. Number and amount of capital-raising activities assisted for small and medium-sized enterprises (SMEs) in the capital market.	The Company does not engage in lending business; thus, this indicator is not applicable. In 2024, there were 2 cases with a total of NT\$404,399,170.	
3	Number of participants provided with financial education among disadvantaged groups lacking securities services.	7.2.2 Succession Planning and Development 8.3 Implementation of Inclusive Finance	■ 106 ■ 127
4	Products and services designed by each business unit to create environmental or social benefits.	4.2 Sustainable Investment Strategy 6.4 Breakthroughs in Digital Financial Innovation 8.3 Implementation of Inclusive Finance	■ 64 ■ 92 ■ 127

8.Sustainability Disclosure Topics & Accounting Metrics

Note: Financials Sector – “Investment Banking & Brokerage” Standards, December 2023 Edition.

Code	Description	Content	Page
EMPLOYEE DIVERSITY & INCLUSION			
FN-IB-330a-1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	1.Executive Management (Chairperson, President, Vice Presidents, Assistant Vice Presidents, etc.): 31 males (1.5% of all employees); 19 females (1.0% of all employees); total 50 (2.5% of all employees). 2.Non-Executive Management (Senior Managers, Managers, Senior Deputy Managers, Deputy Managers, Assistant Managers, Section Chiefs, etc.): 95 males (4.8% of all employees); 152 females (7.6% of all employees); total 247 (12.4% of all employees). 3.All Other Employees (excluding executive and non-executive management): 639 males (32% of all employees); 1,059 females (53.1% of all employees); total 1,698 (85.1% of all employees). 4.Professionals: 2 lawyers; 1 certified public accountant.	-
INCORPORATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS IN INVESTMENT MANAGEMENT			
FN-IB-410a-1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry	Please refer to Appendix, Section 1.1 Underwriting Revenue Incorporating ESG Factors. Advisory and securitization transactions are progressively aligned with ESG control points for data compilation.	135
FN-IB-410a-2	Number and total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry	Please refer to Appendix, Section 1.2 Loans/Investments Incorporating ESG Factors.	136
FN-IB-410a-3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	Please refer to Appendix, Section 1. Green Finance-Related Data.	135



Code	Description	Content	Page
BUSINESS ETHICS			
FN-IB-510a-1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	The Company had no such cases in 2024.	-
FN-IB-510a-2	Description of whistleblower policies and procedures	In accordance with the “Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets”, the Company has established Whistleblower System Implementation Guidelines. Any individual who discovers potential criminal activity, fraud, or legal violations within the Company may report through designated whistleblower hotlines or other channels. The Auditing Department is responsible for case intake and investigation. Upon receiving a report, the Department registers and records the case, verifies whether it should be accepted based on the documentation and evidence, and strictly protects the confidentiality of the whistleblower’s identity. The Company ensures that whistleblowers will not suffer damage to their statutory, contractual, or customary rights, nor face any adverse consequences as a result of filing a report.	-
PROFESSIONAL INTEGRITY			
FN-IB-510b-1	Number and percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	The Company had no such cases in 2024.	-
FN-IB-510b-2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	The Company had no such cases in 2024.	-
FN-IB-510b-3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	The Company had no such cases in 2024.	-
FN-IB-510b-4	Description of approach to ensuring professional integrity, including duty of care	The Company’s approach is summarized as follows: 1. The Company has established internal regulations including the Codes of Ethical Conduct, Ethical Corporate Management Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct. 2. All new employees are required to sign the code of conduct applicable across the Capital Securities Group. 3. Personnel must pass a financial professional ethics examination before qualifying as securities specialists, and they are also required to regularly participate in on-the-job training. 4. The Company conducts regular education and training sessions, with courses covering: promotion of laws and regulations related to ethical business conduct, restrictions on the behavior of securities practitioners, disclosure of material information, and regulations concerning insider trading. A total of 21 sessions were held in 2024. 5. The Company carries out ethical business management and regulatory compliance risk assessments, prepares risk assessment reports, and, based on the results, strengthens the effectiveness of the internal control system.	-
SYSTEMIC RISK MANAGEMENT			

Code	Description	Content	Page
FN-IB-550a-1	Global Systemically Important Bank (G-SIB) score, by category	The Company has no such business activities.	-
FN-IB-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	- The Company's Risk Management System clearly defines stress testing as simulating and assessing the impact of abnormal market fluctuations on the value of the investment portfolio and the maximized use of financial resources on capital adequacy, serving as the basis for formulating response measures. - Current stress testing analysis for the investment portfolio is divided into two types: historical scenario simulation and hypothetical scenario simulation, each with different assumptions. - Historical scenario: based on the largest fluctuations in stock market indices and bond market interest rates over the past five years. - Hypothetical scenario: considers the impact of financial resource utilization on capital adequacy or the effect of other potential major events on the portfolio's value. - Stress tests are conducted at least quarterly, with results reported to the Risk Management Committee. Following the test, the capital adequacy ratio should reach above 200%, and relevant measures will be taken depending on potential abnormal losses. - Business operational limits and risk value caps are set to ensure compliance with capital adequacy and loss control. Each year, stress testing is conducted using annual business volume targets from each department as stress scenarios to simulate capital adequacy, forming the basis for capital adequacy planning and corporate strategy. - In line with the capital adequacy calculation method for securities firms, the Company calculates market risk, credit risk, and operational risk of various risk-weighted assets. Based on each department's annual business plan and historical use of risk-weighted capital, the Company ensures that its overall capital adequacy ratio is maintained at no less than 220%, serving as the basis for allocating risk capital to each department.	-
EMPLOYEE INCENTIVES AND RISK ASSUMPTION			
FN-IB-550b-1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	Variable remuneration accounted for 48.52% of total remuneration.	-
FN-IB-550b-2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	Although the Company has not quantified this in percentage terms, internal bonus guidelines stipulate that if business personnel engage in the following actions that result in client losses, disputes, or complaints, the case shall be submitted to the Personnel Review Committee. In such cases, sales bonuses may be withheld and will only be reinstated after disputes are resolved: - Inducing clients to prematurely terminate reinvestments multiple times within a short period or engaging in frequent trading to inappropriately earn sales bonuses. - Violating laws, self-regulatory standards, or operational rules related to financial product sales. - Violating the Company's internal control and auditing regulations. - Failing to properly execute Know Your Customer (KYC) procedures.	-
FN-IB-550b-3	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	The Company has no such business activities.	-
ACTIVITY METRIC			
FN-IB-000.A	Number and value of (a) underwriting, (b) advisory, and (c) securitization transactions	In 2024, the Company's underwriting business amounted to approximately NT\$42.942 billion. Data collection for advisory and securitization transactions is being progressively aligned with relevant control points.	-
FN-IB-000.B	Number and value of proprietary investments and loans by sector	See Appendix, 1. Green Finance-Related Data.	135
FN-IB-000.C	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	- Fixed income: None. - Equity: NT\$784 billion. - Currency: None. - Derivatives: NT\$130 billion. - Commodities: None.	-



9. Assurance Report and Verification Statement

| Limited Assurance Report on the Sustainability Report



安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號58樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

Independent Limited Assurance Report

To Capital Securities Corp., Ltd.:

We were engaged by Capital Securities Corp., Ltd. ("Capital Securities") to provide limited assurance over the selected information ("the Subject Matter Information") on the 2024 Sustainability Report of Capital Securities ("the Report") for the year ended December 31, 2024.

Applicable Criteria of the Subject Matter Information

Capital Securities shall prepare the Subject Matter Information in accordance with applicable criteria required by Article 4 of Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies ("the Regulation") and Article 2 of Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms ("the Rules") as set forth in Appendix I.

Management's Responsibilities

Capital Securities is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the applicable criteria to fairly prepare and present the Subject Matter Information. Capital Securities is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with the Standard on Assurance Engagements TWSAE3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation in Taiwan and to issue a limited assurance conclusion on whether the Subject Matter Information is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

Independence and Standards on Quality Management

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

~ 1 ~



Summary of Work Performed

As stated in applicable criteria of the Subject Matter Information paragraph, our main work on the selected information included:

- Reading the Report of Capital Securities;
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Subject Matter Information.
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Subject Matter Information and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above is based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Subject Matter Information, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

The Report for the year ended December 31, 2024 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of Capital Securities. Therefore, the different stakeholders may have different interpretations of such information.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been properly prepared, in all material aspects, 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 criteria applied after the issuance date of this report.

The engagement partner on the assurance resulting in this independent auditors' report are Huang, Yu-Ting and Wu, Cheng-Yen

KPMG

Taipei, Taiwan (Republic of China)
July 28, 2025

Notes to readers

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.

~1-1~



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

| Limited Assurance Report on the Sustainability Report



Appendix I : Summary of the Subject Matter Information

No.	Corresponding Section	Subject Matter Information	Applicable Criteria
1	Appendix-7. Sustainability Disclosure Indicators	In 2024, there were no information leakage incidents; therefore, the percentage of incidents related to personal data was 0%, and the number of customers affected by such incidents was 0.	The Rules Table 1-3 No.1 The Rules Table 1-2 No.1 Number of data breaches, percentage involving personally identifiable information, and number of account holders affected.
2	Appendix-7. Sustainability Disclosure Indicators	The Company does not engage in lending business; thus, this indicator is not applicable.	The Rules Table 1-3 No.2 Number and amount of loans outstanding qualified to programs designed to promote development of small business and communities.
		In 2024, there were 2 cases with a total of NTS\$404,399,170.	The Rules Table 1-2 No.2 Number and amount of capital market fundraising transactions supported for small and medium-sized enterprises
3	7.2 Talent Development Accelerator	Internship Training Program: In 2024, a total of 166 participants joined	The Rules Table 1-3 No.3 Number of participants in financial literacy initiatives provided to the disadvantaged without adequate banking services.
	8.3 Implementation of Inclusive Finance	Capital Securities "Love Reading" Program: Benefiting 746 students in 2024.	The Rules Table 1-2 No.3 Number of participants in financial literacy initiatives provided to minority groups without adequate securities services

~ 2 ~



No.	Corresponding Section	Subject Matter Information	Applicable Criteria
4	8.3 Implementation of Inclusive Finance	- The Company successfully launched four IPO ESG ETFs in 2024, with total sales reaching NTS\$1.202 billion. - The Company successfully underwrote 17 sustainable bonds with a total value of NTS\$6.83 billion, accounting for 17.6% of the Company's total underwriting amount. - The "Account Opening 2.0" integrates rapid identity verification and online review technologies, enabling clients to complete the account opening process in as little as three minutes. This effectively empowers time-constrained groups, individuals with limited mobility, and residents in remote areas, ensuring that financial services truly transcend time and space barriers.	The Rules Table 1-3 No.4 The Rules Table 1-2 No.4 Products and services designed by individual operating units to create benefits for the environment or society.

~ 3 ~



Verification Statement of the Sustainability Report



INDEPENDENT ASSURANCE OPINION STATEMENT

Capital Securities Corporation 2024 Sustainability Report

The British Standards Institution is independent to Capital Securities Corporation (hereafter referred to as CSC in this statement) and has no financial interest in the operation of CSC other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of CSC only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by CSC. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to CSC only.

Scope

The scope of engagement agreed upon with CSC includes the followings:

1. The assurance scope is consistent with the description of Capital Securities Corporation 2024 Sustainability Report.
2. The evaluation of the nature and extent of the CSC's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.
3. The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the Capital Securities Corporation 2024 Sustainability Report provides a fair view of the CSC sustainability programmes and performances during 2024. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the CSC and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate CSC's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that CSC's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to CSC's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 17 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018), GRI Standards and SASB Standard(s) is set out below.

Inclusivity

This report has reflected a fact that CSC has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the CSC's inclusivity issues.

Materiality

CSC publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of CSC and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the CSC's management and performance. In our professional opinion the report covers the CSC's material issues.

Responsiveness

CSC has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for CSC is developed and continually provides the opportunity to further enhance CSC's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the CSC's responsiveness issues.

Impact

CSC has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. CSC has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the CSC's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

CSC provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the CSC's sustainability topics.

SASB Standards

CSC provided us with their self-declaration of in accordance with SASB Standard(s) (Investment Banking & Brokerage Sustainability Accounting Standard, version 2023-12). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Investment Banking & Brokerage Sustainability Accounting Standard, version 2023-12) are reported, partially reported, or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s).

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s).

Responsibility

The sustainability report is the responsibility of the CSC's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-827424
2025-07-09

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

BSI Taiwan is a subsidiary of British Standards Institution.

...making excellence a habit.™



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

附件一



安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

溫室氣體聲明確信報告

群益金鼎證券股份有限公司 公鑒：

本執業人員受託執行群益金鼎證券股份有限公司（以下簡稱「群益證券」）民國一一三年一月一日至十二月三十一日溫室氣體盤查報告書（以下簡稱「溫室氣體聲明」）之類別1直接溫室氣體排放、類別2能源間接排放、類別4組織使用產品間接排放（包含購買燃料和能源相關活動、營運產生廢棄物的處置與處理排放）及類別5使用來自組織商品之間接排放（包含投資）之有限確信案件（以下簡稱「類別1、類別2、類別4及類別5」）詳列於附件一。

公司對溫室氣體聲明之責任

群益證券之責任係依照國際標準組織(International Organization for Standardization, ISO)發布之「ISO14064-1:2018組織層級溫室氣體排放及移除量化及報告附指引之規範」（以下簡稱「ISO14064-1」）編製溫室氣體聲明，且設計、付諸實行及維持與溫室氣體聲明編製有關之內部控制，以確保溫室氣體聲明未存有導因於舞弊或錯誤之重大不實表達。如群益證券溫室氣體聲明所述，溫室氣體之量化受先天不確定性之影響，主要係因用以決定排放係數之科學知識並不完整，以及報導之數值須彙總不同溫室氣體之排放。

執業人員之獨立性及品質管理

本執業人員已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密與專業行為。本事務所適用品質管理準則1號「會計師事務所之品質管理」，因此維持完備之品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之書面政策及程序。

執業人員之責任

類別1、類別2、類別4及類別5 - 有限確信

本執業人員之責任係依照確信準則3410號「溫室氣體聲明之確信案件」規劃及執行類別1、類別2、類別4及類別5之有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述群益證券溫室氣體聲明是否未存有重大不實表達取得有限確信，並作成有限確信之結論。

依確信準則3410號之規定，有限確信案件工作包括評估群益證券採用ISO14064-1編製溫室氣體聲明之妥適性、評估溫室氣體聲明導因於舞弊或錯誤之重大不實表達風險、依情況對所評估風險作出必要之因應，以及評估溫室氣體聲明之整體表達。有關風險評估程序（包括對內部控制之瞭解）及因應所評估風險之程序，有限確信案件之範圍明顯小於合理確信案件。

本執業人員對第一段所述群益證券溫室氣體聲明之類別1、類別2、類別4及類別5所執行之程序係基於專業判斷，該等程序包括查詢、對所執行流程之觀察、文件之檢查、分析性程序、

~ 1~



量化方法與報導政策之評估，以及與相關紀錄之核對或調節。基於本案件情況，本執業人員於執行上述程序時：

1. 已透過查詢，取得對群益證券與排放量化及報導攸關之控制環境及資訊系統之瞭解。但並未評估特定控制作業之設計、取得該等控制作業付諸實行之證據或測試其有效性。
2. 已評估群益證券建立估計方法之適當性及一致性。然而，所執行程序並未包含測試估計所依據之資料或單獨建立執業人員之估計，以評估群益證券所作之估計。
3. 已實地訪查1個據點，以評估排放源之完整性、資料蒐集方法、排放源資料及該等據點所適用之攸關假設。對於執行實地訪查據點之選擇，已考量該等據點之排放對總排放之貢獻、排放源性質，以及前期所選擇之據點。所執行程序不包含測試該等據點用以蒐集及彙整設施資料之資訊系統或控制。

相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件所取得者。因此，本執業人員不對群益證券類別1直接溫室氣體排放、類別2能源間接排放類別4組織使用產品間接排放（包含購買燃料和能源相關活動、營運產生廢棄物的處置與處理排放）及類別5使用來自組織商品之間接排放（包含投資）在所有重大方面，是否依照國際標準組織(International Organization for Standardization, ISO)發布之ISO14064-1:2018組織層級溫室氣體排放及移除量化及報告附指引之規範編製，表示合理確信意見。

有限確信結論

類別1、類別2、類別4及類別5 - 有限確信

依據所執行之程序與所獲取之證據，本執業人員並未發現第一段所述群益證券民國一一三年一月一日至十二月三十一日溫室氣體聲明之類別1、類別2、類別4及類別5在所有重大方面有未依照ISO14064-1編製之情事。

~ 2~

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

153



其他事項

本確信報告出具後，任何確信標的資訊或適用基準之變更，本執業人員將不負就該等資訊重新執行確信工作之責任。

安侯建業聯合會計師事務所

會計師：黃郁婷

事務所地址：台北市信義路五段七號六十八樓

中華民國 一 一 四 年 四 月 八 日

~ 3~



附件一：確信標的資訊彙總表

報告邊界	排放量 (二氧化碳噸當量/年)
類別1：直接溫室氣體排放	340.9056
類別2：能源間接排放	4,816.6025
類別1+類別2合計	5,157.5081
類別4：組織使用產品間接排放	978.2719
購買燃料和能源相關活動	948.6952
營運產生廢棄物的處置與處理排放	29.5767
類別5：使用來自組織商品間接排放	212,595.6286
投資	212,595.6286
合計	218,731.4086

~ 4~



10.International Certifications

ISO 27001 Information Security Management System



Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2022

This is to certify that: Capital Securities Corporation
11F,
No. 156, Sec. 3, Minsheng E. Rd.
Songshan Dist.
Taipei City
105402
Taiwan

Holds Certificate No: **IS 503970**

and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2022 for the following scope:

The provision of information system design, development, operation, maintenance, customer service, management of network infrastructure, Dunnan server room, Songren server room, and Banqiao server room, and all supporting information processing activities for Capital Securities Corp., Capital Futures Corp., and Capital Insurance Advisory Corp. within Innovation Technology Department,
This is in accordance with the Statement of Applicability, SP-00-001-Annex B, version 3.4 dated 28 August 2024.

For and on behalf of BSI:



Michael Lam, Senior Vice President, APAC Assurance

Original Registration Date: 2006-03-16
Latest Revision Date: 2024-11-21

Effective Date: 2024-03-13
Expiry Date: 2027-03-12

Page: 1 of 2



...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](#).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

Certificate No: **IS 503970**

Location	Registered Activities
Capital Securities Corporation 11F, No. 156, Sec. 3, Minsheng E. Rd. Songshan Dist. Taipei City 105402 Taiwan	The provision of information system design, development, operation, maintenance, customer service, management of network infrastructure, server rooms and all supporting information processing activities for Capital Securities Corp., Capital Futures Corp., and Capital Insurance Advisory Corp. within Innovation Technology Department.
Capital Securities Corporation B2, No. 97, Sec. 2, Dunhua S. Rd. Da'an Dist. Taipei City 106420 Taiwan	The provision of information system design, development, and management of Dunnan server room activities within Innovation Technology Department.
Capital Securities Corporation 13F, No. 101, Songren Rd. Xinyi Dist. Taipei City 110414 Taiwan	The provision of network infrastructure, server room, and operation service monitoring activities.
Capital Securities Corporation No. 8, Guoqing Rd. Banqiao Dist. New Taipei City 220063 Taiwan	The provision of server room activities. (Co-location)

Original Registration Date: 2006-03-16
Latest Revision Date: 2024-11-21

Effective Date: 2024-03-13
Expiry Date: 2027-03-12

Page: 2 of 2

This certificate relates to the information security management system, and not to the products or services of the certified organisation. The certificate reference number, the mark of the certification body and/or the accreditation mark may not be shown on products or stated in documents regarding products or services, Promotion material, advertisements or other documents showing or referring to this certificate, the trademark of the certification body, or the accreditation mark, must comply with the intention of the certificate. The certificate does not of itself confer immunity on the certified organisation from legal obligations.

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](#).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.



Brand Blueprint

Sustainable Development Strategic Challenges

Risk Management and Integrity

Climate Action Pioneer

Green Strategy Core

Digital Resilience and Innovation

Talent Empowerment and Care

Customer Value and Social Impact

Appendix

155

| ISO 22301 Business Continuity Management System



Certificate of Registration

BUSINESS CONTINUITY MANAGEMENT SYSTEM - ISO 22301:2019

This is to certify that: Capital Securities
& Capital Futures Corporation
11F,
No. 156, Sec. 3, Minsheng E. Rd.,
Songshan Dist.
Taipei City
105402
Taiwan

Holds Certificate No: **BCMS 537763**

and operates a Business Continuity Management System which complies with the requirements of ISO 22301:2019 for the following scope:

The business continuity management system in relation to the provision of stock trading, futures & options trading, derivatives trading, bonds trading, re-consigned trading, and registrar agency business.

For and on behalf of BSI:

Michael Lam, Senior Vice President, APAC Assurance

Original Registration Date: 2008-11-14

Latest Revision Date: 2024-11-21

Effective Date: 2023-11-26

Expiry Date: 2026-11-25

Page: 1 of 2



...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract. An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory). Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

Certificate No: **BCMS 537763**

Location	Registered Activities
Capital Securities & Capital Futures Corporation 11F, No. 156, Sec. 3, Minsheng E. Rd., Songshan Dist. Taipei City 105402 Taiwan	The provision of stock trading, derivatives trading, bonds trading, and re-consigned trading business.
Capital Securities & Capital Futures Corporation B2, No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist. Taipei City 106420 Taiwan	The provision of futures & options trading and registrar agency business.
Capital Securities & Capital Futures Corporation 13F, No. 101, Songren Rd., Xinyi Dist. Taipei City 110414 Taiwan	The provision of server room and related supporting activities.
Capital Securities & Capital Futures Corporation No. 8, Guoqing Rd., Banqiao Dist. New Taipei City 220063 Taiwan	The provision of server room and related supporting activities. (Co-location)

Original Registration Date: 2008-11-14

Latest Revision Date: 2024-11-21

Effective Date: 2023-11-26

Expiry Date: 2026-11-25

Page: 2 of 2

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract. An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory). Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

| BS 10012 Personal Information Management System



Certificate of Registration

Personal Information Management System - BS 10012:2017

This is to certify that: Capital Securities Corporation
11F,
No. 156, Sec. 3, Minsheng E. Rd.,
Songsshan Dist.,
Taipei City
105402
Taiwan

Holds Certificate No: **PIMS 593476**

and meets the criteria of BS 10012:2017: Specification for Personal Information Management System for the following scope:

The provision of personal information collection, processing, and using of all business activities by the headquarters.

For and on behalf of BSI:


Managing Director BSI Taiwan, Peter Pu

Original Registration Date: 2013-02-07
Latest Revision Date: 2024-09-24

Effective Date: 2024-10-08
Expiry Date: 2027-10-07

Page: 1 of 2



...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

Certificate No: **PIMS 593476**

Location

Registered Activities

Capital Securities Corporation
11F,
No. 156, Sec. 3, Minsheng E. Rd.,
Songsshan Dist.,
Taipei City
105402
Taiwan

The provision of personal information collection, processing, and using of all business activities by the headquarters.

Capital Securities Corporation
B2F,
No. 97, Sec. 2, Dunhua S. Rd.,
Daan Dist.,
Taipei City
106420
Taiwan

The provision of personal information collection, processing, and using of all business activities by the headquarters.

Original Registration Date: 2013-02-07
Latest Revision Date: 2024-09-24

Effective Date: 2024-10-08
Expiry Date: 2027-10-07

Page: 2 of 2

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

157

| ISO 50001 Energy Management System



Certificate of Registration

ENERGY MANAGEMENT SYSTEM - ISO 50001:2018

This is to certify that: Capital Securities Corp.
11-14F,
No. 156, Sec. 3, Minsheng E. Rd.
Songshan Dist.
Taipei City
105402
Taiwan

群益金鼎證券股份有限公司
臺灣
台北市
松山區
民生東路三段156號
11-14樓
105402

Holds Certificate No: **ENMS 817342**

and operates an Energy Management System which complies with the requirements of ISO 50001:2018 for the following scope:

The provision of securities service.
The main energy uses include:
- electricity for lighting, office equipment and air conditioning
- gasoline for company car
- diesel for emergency generator.
提供證券服務

For and on behalf of BSI:

Michael Lam, Senior Vice President, APAC Assurance

Original Registration Date: 2024-12-24

Latest Revision Date: 2024-12-24

Effective Date: 2024-12-24

Expiry Date: 2027-12-23

Page: 1 of 2



...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

Certificate No: **ENMS 817342**

Location

Registered Activities

Capital Securities Corp.
11-14F,
No. 156, Sec. 3, Minsheng E. Rd.
Songshan Dist.
Taipei City
105402
Taiwan
群益金鼎證券股份有限公司
臺灣
台北市
松山區
民生東路三段156號
11-14樓
105402

The provision of securities service.
The main energy uses include:
- electricity for lighting, office equipment and air conditioning
- gasoline for company car
- diesel for emergency generator.

Original Registration Date: 2024-12-24

Latest Revision Date: 2024-12-24

Effective Date: 2024-12-24

Expiry Date: 2027-12-23

Page: 2 of 2

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.

Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.



Brand
Blueprint

Sustainable Development
Strategic Challenges

Risk Management
and Integrity

Climate Action
Pioneer

Green
Strategy Core

Digital Resilience
and Innovation

Talent Empowerment
and Care

Customer Value
and Social Impact

Appendix

11F., No. 156, Sec. 3, Minsheng E. Rd.
Taipei City 10596, Taiwan, R.O.C 10596

TEL 02-8789-8888
FAX 02-8712-1219

Capital Care