KGI SECURITIES

2025 Sustainability Report

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About This Report

Reporting Period

KGI Securities Co., Ltd. (hereinafter referred to as "KGI Securities" or the "Company") published its 2025 Sustainability Report in June 2026. This is the Company's fourth sustainability report, covering the actions and performance of KGI Securities in advancing the three pillars of sustainable development – Environmental (E), Social (S), and Governance (G) – during the period from January 1, 2025 to December 31, 2025.

KGI Securities publishes its Sustainability Report annually on a regular basis to enable stakeholders to jointly monitor the implementation and performance of its sustainability policies.

Reporting Disclosure Boundaries and Scope

The scope of disclosures in this report is centered on all operating sites of KGI Securities in Taiwan.

The financial information, employee-related information, and GHG inventory information disclosed in this report are consistent with the data presented in KGI Securities' consolidated financial statements. The units of measurement are specified alongside the disclosed data where applicable. As the scope of entities included in the consolidated financial statements also encompasses KGI Securities' subsidiaries in Taiwan and overseas operating sites, any disclosures with special reporting requirements that differ from the reporting boundaries of this report will be separately noted in the relevant sections, along with the applicable scope and calculation methodology.

Report Preparation Principles

Publishing Unit	Compliance with Principles and Regulations
Global Reporting Initiative (GRI)	GRI Sustainability Reporting Standards (GRI Standards) 2021
Taipei Exchange (hereinafter referred to as the "TPEx")	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms
Sustainability Accounting Standards Board (SASB)	Investment Banking & Brokerage Guidelines
Task Force on Climate-related Financial Disclosures (TCFD) Working Group	Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
United Nations	Sustainable Development Goals (SDGs)

Report Verification and Assurance Items

Publishing Unit	Compliance Standards
PwC Taiwan	R.O.C. Assurance Standard No. 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information"
BSI Taiwan	ISO 27001:2022 Information Security Management System ISO 22301:2019 Business Continuity Management System ISO 45001:2018 Occupational health and safety management system ISO 10002:2018 Customer Complaint Quality Management System
SGS Taiwan	BS 10012:2017 Personal Information Management System ISO 50001:2018 Energy Management System ISO 14001:2015 Environmental Management System
PwC Business Advisory Services Taiwan Ltd.	The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard

Update to the "Financial Performance" Information in the Introduction of This Sustainability Report

The Company has updated the disclosed financial performance information for 2023 and 2024 as follows:

1. Under "Operational Capability," "Operating Costs" have been revised to NT$3,708,726 thousand for 2023 and NT$4,918,093 thousand for 2024.
2. Under "Economic Value Distributed," "Payments to capital contributors" for 2024 have been revised to NT$17,118,435 thousand.
3. "Retained Economic Value" has been revised to NT$1,158,156 thousand for 2023 and NT$2,288,131 thousand for 2024.

These revisions were made to ensure the accuracy of the financial performance disclosures. The updates relate solely to information disclosure and were not referenced in other chapters, used in data calculations, or cross-referenced with other disclosures. Furthermore, they do not affect decision-making. Accordingly, these changes do not constitute a material correction of information.

Report Quality Management Process

KGI Securities prepares this report in accordance with its "Sustainable Information Management Guidelines" and "Key Points for the Preparation and Filing of Sustainability Reports." The data and information disclosed in this report are provided by each department after being reviewed and confirmed for completeness and accuracy by the respective department heads. The Strategy and Planning Department is responsible for consolidating the information and planning the report structure. The content of this report has been reviewed and confirmed by the responsible department heads and personnel, and has been subject to third-party verification and assurance conducted by external organizations. The 2025 Sustainability Report was approved by the Sustainability and Ethical Corporate Management Committee on May 22, 2026, and was published following review and approval by the Board of Directors on June 22, 2026.

Words of the Chairman

Responsible Finance Leading the Future, Sound Management Creating Long-term Value

As the global sustainability regulatory framework continues to evolve, climate transition, digital transformation, and geopolitical risks are becoming increasingly intertwined, driving a comprehensive elevation of the social responsibilities and governance standards expected of financial institutions. Against this backdrop, truly embedding sustainable governance as a core competitive advantage, rather than merely a response to compliance requirements, has become the key to the long-term influence and success of financial institutions.

KGI Securities is committed to making sustainable governance a core element of its business operations and embedding ESG principles deeply into its business activities. In 2025, KGI Securities reported net income exceeding NT$11.5 billion and a return on equity of 17.27%. Building on a foundation of solid profitability, the Company achieved comprehensive progress across its five core ESG strategies. KGI Securities received four major awards, including the Outstanding ESG Sustainability Award and the Outstanding Talent Development Award at the Golden Yi Awards. The Company was also recognized by the Taiwan Corporate Sustainability Awards (TCSA) and named an Outstanding Enterprise for Carbon Reduction Performance by CommonWealth Magazine. In addition, its sustainable finance assessment results exceeded the industry average. These achievements represent tangible recognition of KGI Securities' continued commitment to advancing ESG initiatives.

Capital Allocation Reflecting a Commitment to Sustainability

KGI Securities believes that the most effective way for a responsible financial institution to put its commitments into practice is through the direction and quality of its capital allocation. In 2025, KGI Securities underwrote 19 sustainability bonds with a total value exceeding NT$17.097 billion, directing capital toward green investments, rural infrastructure development, and projects with social impact. Its responsible investment portfolio covered 120 industries, and through more than 6,952 engagement activities, the Company encouraged investee companies to strengthen their ESG governance. KGI Securities achieved a 100% shareholders' meeting participation rate, continued to reduce its investment exposure to high-carbon industries, and was once again selected for the TPEx's "List of Institutional Investors with Outstanding Stewardship Information Disclosure." It received full marks in both the Policy Compliance and Practical Disclosure categories. At the same time, KGI Securities, together with KGI Financial Holding, formally obtained validation from the SBTi, establishing a net-zero pathway and demonstrating its commitment to a low-carbon future through systematic action. The direction of capital allocation is KGI's most tangible commitment to sustainable development.

Giving Back Through Finance: Supporting Customers, Communities, and Employees

"Giving Back Through Finance" is KGI Securities' core framework for implementing sustainable governance, reflecting its concrete commitments to customers, communities, and employees.

In customer service, the first-call resolution rate reached 99.62%, and KGI Securities was once again ranked among the top 25% of large securities firms in the Fair Customer Treatment Evaluation. In financial security, KGI Securities conducted 404 anti-fraud awareness activities throughout the year, reaching more than 5.47 million participants. It became the first securities firm in Taiwan to launch the dedicated short-code SMS service "68178" and the first to provide an "Investor Fraud Intelligence Inquiry Service." These efforts earned the Company the Excellence Award in the TPEx's Anti-Fraud Evaluation.

In supporting local communities, KGI Securities embraced the Group's "Local Revitalization Changemaker" spirit by partnering with 11 local revitalization organizations in 2025 and organizing 50 related events. The Company procured more than NT$1.295 million in locally sourced and environmentally friendly products and services, helping to build a comprehensive support network from producers to consumers. KGI Securities believes that only when corporate resources are effectively invested in local ecosystems can businesses and communities jointly build the resilience needed to address long-term challenges. This belief forms the foundation of its commitment to advancing the vision of "Creating Local Impact, Building Resilience Together."

In talent development and employee care, KGI Securities recorded a total of 285,640 training hours in 2025, averaging 66.9 hours per employee, and received the Golden Yi Award for Outstanding Talent Development. Employee engagement continued to improve, and the Company was honored with the Gold Award for Happy Enterprises for the third consecutive year. Employees contributed a total of 36,931 volunteer service hours throughout the year, while KGI Securities ranked first in the financial industry for the number of beach clean-up events for the fourth consecutive year. KGI Securities' sustainability competitiveness is rooted in the professional growth and value contributions of every employee.

KGI Securities' Commitment

KGI Securities is committed to becoming a responsible financial institution that "Empowers the Future for the Future." The Company will continue to deepen its presence in Taiwan's capital market, actively facilitate sustainable industrial transformation, and leverage its professional services and local engagement to become a trusted long-term financial partner for customers and society. Sustainable governance is an ongoing journey with no finish line. KGI Securities will continue to pursue continuous improvement, build long-term impact through concrete actions, and advance steadily toward a sustainable future.

Chairman

Prologue

About KGI Securities

Company Information

Company Name	KGI SECURITIES KGI Securities Co., Ltd.				
Industry	Finance	Stock Code	6008	Number of Employees	4,188 Note (including subsidiaries and overseas)
Date of Establishment	September 14, 1988			Capital	NT$18,174,785 thousand
Headquarters Address	3F, No. 698 and 3F, No. 700, Mingshui Rd., Taipei City.			Total Assets	NT$634,240,982 thousand

Note: According to employment contract records, KGI Securities had a total of 3,277 regular employees.

Main Business Overview

KGI Securities holds a leading position in the securities industry. Its comprehensive product portfolio covers brokerage, proprietary trading, underwriting, bonds, derivatives, wealth management, and asset management. Together with its domestic subsidiaries, including KGI Futures, KGI Securities Investment Advisory, KGI Insurance Brokers, and KGI Venture Capital, the Company provides customers with comprehensive investment and wealth management services and assists enterprises in raising funds in domestic and international capital markets.

KGI Securities' Business Groups

Subsidiary	Main Businesses
KGI Securities Investment Advisory Co., Ltd. (KGI Securities Investment Advisory)	Securities Investment Consulting Services
KGI Insurance Brokers Co., Ltd. (KGI Insurance Brokers)	Life and Property Insurance Brokerage Services
KGI Venture Capital Co. Ltd. (KGI Venture Capital)	Venture Capital Business
KGI Futures Co., Ltd. (KGI Futures)	Futures Commission Merchant (FCM)
KGI Information Technology Co., Ltd. (KGI Information) Note	Management Consulting, Information Software Services, Data Processing, and Electronic Information Supply Services

Note: KGI Information Technology Co., Ltd. completed its liquidation in June 2025.

Main Businesses of KGI Securities

By Business	Services	By Business	Services
Brokerage Business	✓ Agency and brokerage services for domestic marketable securities ✓ Entrusted trading of marketable securities on the Taiwan Stock Exchange, Taipei exchange, and emerging stock market ✓ Margin financing and securities lending services for the trading of marketable securities ✓ Funds lending business ✓ Securities lending services ✓ Futures introducing broker services ✓ Entrusted trading of foreign marketable securities (sub-brokerage services)	International Securities Business	✓ Sales of foreign currency-denominated corporate bonds and other debt instruments ✓ Brokerage, wealth management, underwriting, and proprietary trading services for foreign currency-denominated marketable securities and financial products ✓ Other securities-related foreign exchange services approved by the competent authority
Wealth Management Business	✓ Providing customers with asset allocation and investment portfolio recommendations ✓ Executing asset allocation strategies for customers ✓ Securities Investment Consulting Services ✓ Specified individually managed money trust services ✓ Individually managed securities trust services with designated operating scope or methods (marketable securities lending services)	Bond Business	✓ Outright bond trading and bond transactions with repurchase agreements ✓ Underwriting and distribution services for corporate bonds and financial bonds ✓ Government bond bidding, entrusted bidding, and trading ✓ Design, issuance, and distribution of fixed-income derivative financial products ✓ Spot foreign exchange and foreign exchange derivative transactions
Proprietary trading business	✓ Proprietary trading of marketable securities on TWSE and TPEx ✓ Engaging in futures trading as a futures trader ✓ Proprietary trading of foreign marketable securities and derivative financial products ✓ Concurrent operation of futures proprietary trading business	Stock Affairs Agency	✓ Assisting companies in convening shareholders' meetings ✓ Providing consulting services on shareholder affairs-related laws and regulations ✓ Assisting public companies in handling shareholder affairs-related matters
Capital Markets Business	✓ Advising public companies on applications for the listing of marketable securities ✓ Advising foreign companies on applications for the primary listing of marketable securities ✓ Services related to securities offerings by public companies for capital raising ✓ Corporate financial strategy planning and consulting services	Derivatives	✓ Issuance of listed call and put warrants in Taiwan ✓ Negotiated call (put) warrants ✓ Interest rate swap transactions ✓ Design and issuance planning of new financial products ✓ NT$/foreign currency bond options ✓ Forward rate agreements ✓ Single and structured interest rate option products ✓ Structured products ✓ Asset swaps ✓ Equity derivative products ✓ Credit default swaps

Distribution of Business Locations

KGI Securities has established a comprehensive overseas business network, with operations currently located in Hong Kong, Singapore, Indonesia, Thailand, and China (representative office). Leveraging the advantages of its regional presence, the Company effectively captures international economic trends and provides comprehensive financial products and services to domestic and overseas customers. Its international reach and achievements are highly significant.

Operational Supply Chain

Competent Authorities / Suppliers / Business Partners

- ✓ Government and Competent Authorities
- ✓ Industry Association
- ✓ Supplier
- ✓ Investment Trust / Insurance Companies
- ✓ Strategic Partners
- ✓ Public Welfare / Non-Governmental Organizations
- ✓ Law / CPA Firms
- ✓ Consulting Firms
- ✓ Media

Operational support

Business supervision, product and service provision, and business collaboration

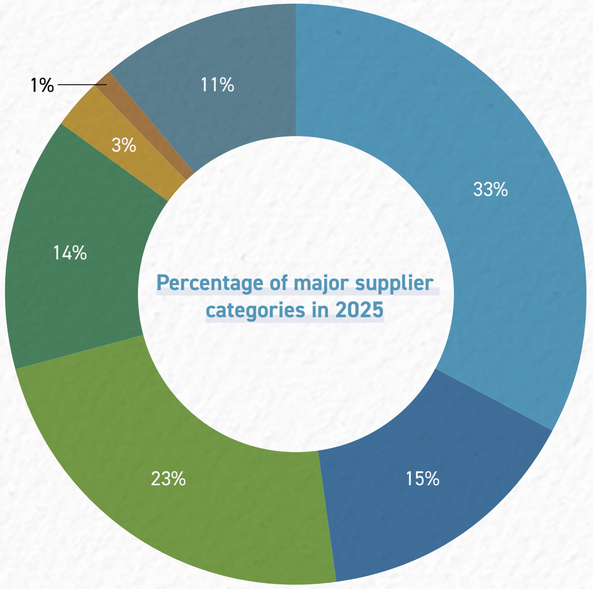
KGI SECURITIES

Financial transactions

Provision of financial services (investment, financing, etc.)

Customers / Financial Service Recipients

- ✓ Individual Customers
- ✓ Corporate Customers
- ✓ Investees / Investee Companies
- ✓ Shareholders and Investors
- ✓ Start-up Companies



	Number of suppliers		Number of suppliers
Information Services	35	Paper and Printed Materials	3
Information Equipment	16	Office Supplies	1
Construction	24	Other Services	12
Restaurants and Ingredients	15		
Total	106		

KGI Securities Milestones (Date of Establishment and History)

1988

- ✓ September 14: CITIC Securities Co., Ltd. was established with paid-in capital of NT$1 billion.

2001

- ✓ April: Invested in "KGI Securities Investment Trust Co., Ltd."
- ✓ October: The Company's corporate identity was changed to "KGI CITIC"

2008

- ✓ April: The Company invested in CITIC Futures Co., Ltd., and its shareholders' meeting approved the change of its name to KGI Futures Co., Ltd.
- ✓ September: To align KGI's corporate identity across the Asia-Pacific region, CITIC Securities was renamed KGI Securities.

2009

- ✓ August: Conducted a cash capital increase through the issuance of 670 million common shares in connection with the issuance of overseas Global Depositary Receipts ("GDRs"), raising US$286 million.
- ✓ December: Merged with Taiwan Securities Co., Ltd., making KGI Securities the second-largest securities firm in Taiwan.

2013

- ✓ January: The Company completed a share exchange with KGI Financial Holding and became a wholly owned subsidiary of KGI Financial Holdings, while simultaneously terminating its TPEx listing.
- ✓ June: Merged with Grand Cathay Securities Corporation.

2014

- ✓ March: The FSC approved the establishment of international securities branches.

2022

- ✓ Established the Fair Customer Treatment Committee.

2023

- ✓ March: Established the Sustainability Committee under the Board of Directors.
- ✓ May: Established the Ethical Corporate Management Committee under the Board of Directors.
- ✓ October: Launched custody services for foreign institutional investors' securities.

2025

- ✓ June: Consolidated the Sustainability Committee and the Ethical Corporate Management Committee into the "Sustainability and Ethical Corporate Management Committee."
- ✓ June: The parent company, KGI Financial Holding Group (hereinafter referred to as the "KGI Financial Holding Group"), appointed the new 14th-term directors and independent directors.

Association Participation

Name of Association	Position
Securities Investment Trust & Consulting Association of the R.O.C.	Member
Chinese National Futures Association	Vice Chairman Falco Mi serves as Managing Director (representing KGI Futures)
Taiwan Securities Association	Vice Chairman Falco Mi serves as Managing Director
Trust Association of R.O.C.	Member
Society for Financial Governance and Legal Compliance of the Republic of China	Member
Securities Analysts Association, Chinese Taipei	Member
Taiwan Industrial Holding Association	Su Chun-Wei serves as supervisor
Taiwan Stock Affairs Association	Huang Ching-Ping serves as director

Business Achievements

The Company's net income after tax reached NT$11.509 billion in 2025, representing a year-on-year increase of 14% and reflecting steady growth in overall operating performance. The key achievements of each core business are as follows:

- ✓ Brokerage and Wealth Management Business: The domestic brokerage market share reached 11.18%, maintaining the second position in the industry. Both wealth management revenue and assets under management reached record highs, while the Company continued to enhance its advisory expertise and digital service experience.
- ✓ Foreign Institutional Business: Market share in foreign institutional brokerage reached 18.0%, ranking first in the industry for multiple consecutive years. In 2025, KGI Securities ranked first in the overall market, including foreign securities firms, with its research and trading services receiving strong recognition from international institutional investors.
- ✓ Capital Markets Business: A total of 36 IPO and secondary market fundraising transactions were lead-managed, with an underwriting amount of NT$31.4 billion, maintaining a leading market position. The financial advisory business was named "Best M&A Financial Adviser in Taiwan" by The Asset for the sixth consecutive year.
- ✓ Bond Business: The underwriting amount of corporate bonds and international bonds reached NT$152.1 billion, representing a year-on-year increase of 19%, with market share ranking among the industry's leaders. The notional principal amount of structured products linked to leveraged funds, ETFs, and bonds ranked first among domestic securities firms.
- ✓ Derivative Products Business: The issuance amount and the number of call (put) warrants reached NT$10.1 billion and 10,910 warrants, respectively. KGI Securities continued to rank among the market leaders in both warrant issuance and trading market share, demonstrating its strong market presence.
- ✓ Proprietary Stock Trading Business: By effectively capturing market trends and industry momentum, the Company achieved investment performance that significantly outperformed the broader market, contributing to overall profit growth.

In 2025, the Company received long-term and short-term credit ratings of "twAA" and "twA-1+" from Taiwan Ratings Corporation (TRC), respectively, with a rating outlook of "Stable." These ratings affirm the Company's superior operating stability and capital strength relative to its industry peers. In 2025, the Company received a total of 86 awards in various domestic and international financial evaluations, covering areas such as financial expertise, corporate governance, ESG, and sustainable finance, demonstrating its leadership in market development and sustainable growth. A summary of the Company's major domestic and international awards is as follows:

Wealth Management

Awarding Unit	Awards
Business Today	[Wealth Management Bank and Securities Evaluation] Excellence Award for Best Wealth Management Securities Firm, Best Wealth Management Brand Image Award, Best Product Award, Best Customer Satisfaction Award, Best Sales Team Award, and Best Senior-Friendly Award.
Wealth Magazine	[Wealth Management Awards] Best Wealth Management, Best Service, Best Private Banking, and Innovative Trust Services Awards.
Structured Retail Products (SRP)	[SRP Asia Pacific Awards] Best Distributor in Taiwan, Best Performance in Taiwan, and Best Performance in Asia Pacific.
Excellence Magazine	[Excellence Securities Evaluation] Best Robo-Advisory Award.
Commercial Times	[Trust Award] Gold Award for Best Wealth Management Trust Innovation by a Securities Firm and Excellence Award for Best Securities Trust Innovation.

Digital Innovation & Customer Experience

Awarding Unit	Awards
Business Today	[Wealth Management Bank and Securities Evaluation] Best Robo-Advisory Award, Best Marketing Innovation Award, and Best AI Application Award.
Wealth Magazine	[Wealth Management Awards] Best Digital Intelligent System Award.
The Asset	Best Mobile Brokerage Application and Best Core System Project in Taiwan.
China Times	[Want Want China Times Financial Services Award] Innovation Platform Award.
Republic of China National Enterprise Competitiveness Development Association	[National Brand Yushan Award] Best Product Award (Mobile e-Strategy App).
Taiwan Service Audit Association	[Taiwan Contact Center Evaluation] Silver Award in the Securities Industry Category.
Commercial Times	[Digital Finance Award] Excellence Award for Digital Services.

Diversified Products & Professional Services

Awarding Unit	Awards
The Asset	Best Corporate and Institutional Financial Adviser in Taiwan, Best Bond Underwriter in Taiwan, Best Sustainability-Linked Exchangeable Bond in Taiwan, and Best M&A Financial Adviser in Taiwan.
Finance Asia	Best Bond Underwriter in Taiwan and Best M&A Financial Adviser in Taiwan.
Central Bank	First Place in the Government Bond Business Performance Evaluation for Primary Dealers of Central Government Bonds.
TWSE	A total of 18 awards, including those for the Listed Stock Market Making Competition, Taiwan Innovation Board Listed Stock Promotion Competition, Warrant Issuer Awards, ETF Trading Competition, ETF Market Making Competition, and Intermediary Institution Awards.
TPEx	A total of two awards, including those from the ETF Market Making Competition and the Listed Warrant Competition.
TAIFEX	[Futures Diamond Award] First Place in the Futures Broker Trading Volume Diamond Award and First Place in the Futures Introducing Broker Trading Volume Diamond Award.

Research and Analysis

Awarding Unit	Awards
Extel (formerly Institutional Investor magazine)	First Place for Best Local Brokerage Firm in Taiwan, First Place for Best Corporate Access in Taiwan, Best Analyst in Taiwan's Financial Industry, Best Analyst in Taiwan's Insurance Industry, Best Analyst in Taiwan's Telecommunications Industry, and Best Analyst in Taiwan's Biotechnology and Healthcare Industry.

Fair Treatment of Customers & Stewardship

Awarding Unit	Awards
FSC	[Fair Customer Treatment Principles Evaluation] Ranked among the top 25% of large full-service securities firms.
TWSE	Excellence Award in the Securities Firm Anti-Fraud Evaluation, List of Institutional Investors with Outstanding Stewardship Information Disclosure, and Outstanding Securities Firm.
TAIFEX	Excellence Award and Special Award in the Futures Industry Anti-Fraud Governance Evaluation.

ESG and Sustainable Finance

Awarding Unit	Awards
Taiwan Institute for Sustainable Energy	✓ [TCSA Taiwan Corporate Sustainability Award] Silver Award in the Sustainability Report Awards, Excellence Award in the Taiwan Sustainability Performance Awards. ✓ [TSAA Taiwan Sustainable Action Awards] Gold Award for SDG 10 Serving Every Customer with Care and Respect, Silver Award for SDG 12 Empowering Sustainable Procurement, Bronze Award for SDG 13 KGI Securities Dual-Track Net-Zero Action, and Bronze Award for SDG 14 "Clean the Sea" Sustainability Action.
Securities & Futures Institute	[Golden Yi Award] Outstanding ESG Sustainability Award, Outstanding Talent Development Award, and two other major awards, for a total of four awards received.
TWSE	ESG Special Award in the Listed Stock Market Making Competition.
CommonWealth Magazine	[Corporate Carbon Reduction Thermometer Assessment] Highest Rating with Outstanding Performance.
1111 Job Bank	[Happy Enterprise] Gold Award in the Financial Services and Consulting Category.
Taipei City Government	Taipei City Age-Friendly Employer Certification for Middle-Aged and Senior Workers.
Taoyuan City Government	Gold Award in the Taoyuan Sheltered Workshop Product Procurement Promotion Competition for Enterprises.
Department of Environmental Protection, Taipei City Government	[2025 Taipei City Climate Action Awards] Bronze Award in the Industry and Commerce Category A Division.
Green Dining Guide	[Green Dining Annual Awards] Local and Seasonal Ingredient Utilization Award
Ministry of Environment	[Net-Zero Green Living Guidelines] Green Dining Table Certification

KGI Securities received the Golden Yi Awards' "Outstanding Talent Development Award," "Outstanding ESG Sustainability Award," and two "Outstanding Securities Professional Awards," demonstrating its comprehensive strengths in the financial services industry.

Financial Performance

Unit: NT$ thousand, unless otherwise specified.

Items		2023	2024	2025
Operational Capability	Net Revenue	28,451,953	37,447,299	38,787,885
	Operating costs	3,708,726	4,918,093	6,158,035
	Net profit for the period	7,346,418	10,142,767	11,511,375
Profitability	Return on Assets (%)	1.82%	2.14%	1.99%
	Return on Equity (%)	13.03%	16.31%	17.27%
	Earnings per share (NT$)	3.97	5.58	6.33
Dividends distributed	Cash dividend per share (NT$)	3.476	4.654	3.087
	Stock dividend per share (NT$)	0	0	1.65
Economic value distributed	Employee salaries and benefits expenses	8,575,178	9,936,701	10,347,582
	Taxes paid to the government Note 1	1,758,790	3,153,709	3,159,352
	Payments to capital contributors Note 2	13,225,658	17,118,435	12,553,987
	Payments to capital contributors – shareholders	6,318,464	8,459,545	5,612,320
	Payments to capital contributors – non-shareholders	6,907,194	8,658,890	6,941,667
	Community investment Note 3	25,445	32,230	35,678
Government subsidies		0	0	0
Retained economic value Note 4		1,158,156	2,288,131	6,533,251

Source: KGI Securities' 2025 consolidated financial statements audited and certified by independent auditors.

Note1: Taxes paid to the government include income tax, business tax, securities transaction tax, and other related taxes.

Note2: Payments to capital providers consist of interest expenses and dividend distributions.

Note3: Community investment refers to the amount of donations made during the year.

Note4: Retained economic value = Direct economic value generated - Economic value distributed. Direct economic value generated refers to the net revenue presented in this table. Economic value distributed includes operating costs, employee salaries and benefits, payments to capital providers, payments to the government, and community investment.

CHAPTER 01

Sustainable Management Strategies

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1.3 Stakeholder Engagement and Communication 16
1.4 Material Topic Analysis and Management Approach 18

1.1 Sustainability Vision and Sustainability Performance

KGI Securities actively implements "Green Finance," "Sustainable Development and Transformation Implementation Strategy for the Securities and Futures Industry," and other sustainable finance-related policies, while aligning with KGI Financial Holding Group's five core ESG strategies: "Sustainable Governance," "Intelligent Sustainable Finance," "Sustainable Talent Excellence," "Low-carbon Sustainable Environment," and "Co-creating Sustainable Society." The Company has established the "Sustainable Development Best Practice Principles," committing to actively pursuing sustainable development while conducting business operations in alignment with international development trends. Through corporate citizenship, it seeks to enhance its contribution to the national economy, improve the quality of life of employees, communities, and society, and promote competitive advantages based on sustainable development. The Company also engages external experts to participate in the risk analysis and assessment of sustainable development, ESG, and climate change, jointly formulating relevant policies and response measures. Through the publication of sustainability reports, TCFD reports, and other disclosures, the Company enhances information transparency and enables stakeholders to better understand and engage with KGI Securities' sustainable development efforts. To date, the Company's ESG achievements and progress are as follows:

Five Core Strategies	Key Indicators	Achievement Status	Action Plans and Achievements to Date
Sustainable Governance	Ensure the effective implementation of sustainable development policies through the continuous enhancement of institutionalized governance structures and mechanisms, thereby comprehensively improving the quality of sustainability governance.	All targets were achieved.	✓ Governance Structure: The Board-level Sustainability Committee and six working groups operated as scheduled. In 2025, the Board of Directors convened 14 meetings, with an average attendance rate of 98.35% among all directors. The gender ratio of the Board was adjusted to 4:5. An external institution was engaged to conduct a Board performance evaluation, and the evaluation report is expected to be obtained in the first half of 2026. ✓ Regulations: Completed the revision of the "Board Performance Evaluation Guidelines" to incorporate provisions for external performance evaluations. ✓ Information Disclosure: Adopted the IFRS Sustainability Disclosure Standards S1 and S2; completed the validation of emissions reduction targets by the SBTi in March 2025; and supported the TNFD framework for nature-related financial disclosures. ✓ Ethical Corporate Management: Completed the annual risk assessment of dishonest conduct; conducted two Ethical Corporate Management education and awareness sessions (May 27 and December 10, 2025); maintained the validity of the BS 10012:2017 Personal Information Management System certification; and achieved a 100% completion rate for personal data protection training among all employees.
Intelligent Sustainable Finance	Promote sustainable finance, responsible investment, and stewardship to drive the industry's net-zero transition; implement customer service, financial inclusion, and digital finance in accordance with the principles of fair customer treatment. KPIs: Investment ratio in high-carbon-emitting industries < 24.5%; annual increase of NT$1 billion in the par value of investment targets with SBT-aligned goals; annual increase of 5% in the par value of sustainable bond investments; customer service first-contact resolution rate ≥ 98%.	All quantitative targets were achieved.	✓ Responsible Investment: In 2025, the investment ratio in high-carbon-emitting industries was 12.5% (target: <24.5%); the par value of investments in targets with SBT-aligned goals increased by more than NT$1 billion year over year; and the par value of sustainable bond investments increased by 5%. Achieved a 100% electronic voting rate for shareholders' meeting proposals, with participation from 1,107 investee companies; conducted 851 institutional investor conferences; and uploaded the 2024 TCFD Report to the Company's official website on June 29, 2025. ✓ ESG Financial Products and Services: During the year, KGI Securities completed 19 sustainable bond underwriting mandates (including financial advisory services), with a total underwriting amount of NT$17.097 billion, and 18 sustainable equity underwriting mandates, totaling NT$15.564 billion, representing 50% of the annual number of mandates and 59% of the total underwriting amount, respectively. In addition, KGI Securities collaborated with offshore structured note issuers to offer multiple Charitable Giving Notes and Green Notes, providing sustainable investment financial services that integrate asset allocation, charitable contributions, and environmental sustainability. ✓ Customer Service: Successfully passed the annual surveillance audit for ISO 10002 conducted by BSI; achieved a customer service first-contact resolution rate of 99.62%; attained a CTI customer satisfaction score of 4.98; recorded 94,616 regular investment plan accounts; completed 55 APP enhancements; and achieved an average mystery shopper audit score of 94. Ranked among the top 25% in the FSC's 2025 Fair Customer Treatment Evaluation.

Five Core Strategies	Key Indicators	Achievement Status	Action Plans and Achievements to Date
Sustainable Talent Excellence	Comply with labor regulations and international labor and human rights standards, implement talent development and employee care initiatives, ensure that human resources policies are free from discrimination, and establish fair grievance mechanisms. KPIs: Human Rights Policy awareness coverage rate of 100%; average training hours per employee ≥ 60 hours.	All targets were achieved.	✓ Diversity and Inclusion: In 2025, a total of 4,532 participants completed training and awareness programs on the Human Rights Policy and DEI; 505 new employees completed onboarding awareness programs, achieving a coverage rate of 100%. ✓ Talent Cultivation: Total training hours reached 285,640 hours, with an average of 66.9 training hours per employee. Sustainable Finance Training: A total of 10,386 training hours were completed, with 3,462 participants; employees obtained 158 sustainable finance certifications. Received the Outstanding Talent Cultivation Award (Group Award) at the FSC Golden Yi Awards. ✓ Employee Well-being: Achieved a 90% participation rate in the employee stock ownership trust program; received the Gold Award in the 1111 Happy Enterprise Awards; and obtained the Taipei City Age-Friendly Employer Certification for Middle-Aged and Senior Workers. ✓ Friendly Workplace: Adopting a people-centric approach to promote employees' physical and mental well-being through health examinations, health promotion activities, the Employee Assistance Program (EAP), a dedicated health management system, and diversified counseling resources. A total of 723 health promotion activities were conducted throughout the year, with more than 11,695 participant attendances, fostering a safe, healthy, supportive, and sustainable workplace environment. The ISO 45001 certification remained valid; the Health Workplace Certification issued by the Health Promotion Administration remained valid; and the AED Safe Place Certification was maintained for the Taiwan Development Financial Building and the Dazhi Headquarters.
Low-carbon Sustainable Environment	Comply with environmental regulations and international standards, and implement carbon reduction and environmental protection measures throughout the Company's operations. KPIs: Reduce greenhouse gas emissions by 19% compared with the base year (2022); reduce annual electricity consumption by 2%; reduce annual water consumption by 1%; and achieve a renewable energy usage ratio of ≥ 20%.	All quantitative targets were achieved, with certain targets exceeding expectations.	✓ Low-carbon Operations: In 2025, GHG emissions from the Company's global operations totaled approximately 5,725 metric tons of CO_2e, representing a reduction of approximately 43% compared with the base year. Electricity consumption totaled 15,004,538 kWh, representing a year-over-year reduction of approximately 9.08% (target: 2%); water consumption decreased by approximately 2.67% year over year. The ISO 14001, ISO 50001, and GHG certifications successfully passed the annual external verification, and their validity was maintained. ✓ Energy Transition: A total of 4,242,222 kWh of renewable electricity was procured throughout the year, contributing to a carbon reduction of 2,010.4 metric tons of CO_2e; the proportion of renewable energy usage reached 28%. Recognized by the Greenpeace RE10X10 Corporate Renewable Energy Initiative. ✓ Environmental Initiatives: Participated in seven domestic and international sustainability and net-zero initiatives, continuously expanding climate action and sustainability impact. ✓ Sustainable Procurement: Continued to strengthen green procurement management, increasing the green procurement ratio to 19.79%, with total procurement spending of approximately NT$130,582,274, representing a 17% increase compared with 2024 and demonstrating the Company's ongoing commitment to an environmentally friendly supply chain.
Co-creating Sustainable Society	Integrate Group resources to support social welfare initiatives, including major disaster relief, talent development, and care for disadvantaged communities, thereby fulfilling corporate social responsibility.	All initiatives achieved or exceeded their targets.	✓ Social Participation and Public Welfare Actions: Continued to deepen volunteer services and public welfare engagement, focusing on environmental protection, disadvantaged communities, cultural preservation, the sports industry, and public issues. A total of 382 activities were conducted throughout the year, with 10,441 volunteer participations and 36,931.5 service hours accumulated. The Company also continued to establish sustainable and institutionalized mechanisms for social and community engagement.

Enhancing Sustainability Awareness

In response to the growing trend of sustainable development, KGI Securities actively promotes its Sustainable Finance Talent Cultivation Program. The Company has established regular sustainable finance training plans for directors, senior management, and general employees, and allocates a dedicated annual budget to support sustainability-related training at all levels, covering course fees, external instructor expenses, and certification subsidies for employees. In addition, the Company organizes a variety of activities and educational seminars on sustainability-related topics to promote the principles of sustainable development and the UN SDGs, thereby enhancing sustainability awareness among employees and the broader public.

◈ Sustainable Finance Education and Training

The Sustainable Finance education and training courses organized by the Company not only provide a fundamental introduction to sustainable finance but also offer in-depth discussions on related topics, including the identification of enabling economic activities. In addition, the industry research team of KGI Securities Investment Advisory, a subsidiary of the Company, provides industry trend reports that facilitate economic activities. Three industry research reports, including "Power Equipment Industry: New US Grid Construction to Drive Another Wave of Growth in the LPT Market," were used as supplementary training materials and uploaded to the internal knowledge platform for employees' extended learning. In 2025, these materials were downloaded 781 times, helping employees better understand development trends in enabling economic activities such as the power equipment market and resilient grid initiatives.

Participation level	Course title	Total number of participants	Total training hours	Total number of sessions
Members of the Board	International Sustainable Finance Trends and Current Policies in Taiwan	2	6	1
	Cathay Sustainable Finance and Climate Change Summit Forum	2	9	2
	Promoting Corporate Sustainable Development Through Risk Management	1	3	1
	Infrastructure as the Engine of Sustainable Cities: Driving ESG Through Financial Synergy	2	3	1
	AI ESG Industry Outlook × Asia's Nasdaq	1	3	1
	Green Sustainability Information Disclosure: CSR Standards and Case Studies	1	1.3	1
	ESG Fundamentals: Taiwan's Sustainable Transformation Blueprint	1	3	1
	The Structure and Value of Corporate Sustainability Reports	1	3	1
	Materiality Considerations in Sustainability Information Disclosure	1	3	1
Senior executives	Senior Executives' Sustainable Finance Training – Sustainability Trends, Regulatory Requirements, and Practical Applications in the Securities Industry (covering IFRS S1/S2 adoption, oversight and management of sustainability reporting and greenwashing prevention, Guidelines for the Identification of Sustainable Economic Activities, climate and nature-related risks, social issues, and other related topics)	32	96	1
General employees (all employees)	TCFD Physical Risk Scenario Analysis	138	276	1
	Climate Change and Sustainable Environmental Management	271	813	2
	General Employees' Sustainable Finance Training – Sustainability Trends, Regulatory Requirements, and Practical Applications (covering IFRS S1/S2 adoption, oversight and management of sustainability reporting and greenwashing prevention, Guidelines for the Identification of Sustainable Economic Activities, climate and nature-related risks, social issues, and other related topics)	3,430	10,290	1

Incentive and Support Mechanisms for Sustainable Finance Certifications

To actively promote and encourage employees to obtain sustainable finance-related certifications, the Company has established comprehensive incentive and support mechanisms. A dedicated Sustainable Finance Certification section has been created on the internal website, providing consolidated exam preparation information, official study materials, and related learning resources for employees to access at any time. This helps them prepare effectively for certification examinations and reduces barriers to obtaining certifications. In addition, the Company fully subsidizes examination fees for employees who apply for sustainable finance-related certifications issued by institutions recognized by the Taiwan Stock Exchange, demonstrating its strong support for employees in obtaining relevant certifications. As of the end of 2025, employees of the Company had obtained a total of 158 sustainable finance-related certifications, representing approximately 5% of all full-time employees.

Sustainable Finance Basic Competency Certification

Number of certificates obtained in 2025

156

Sustainable Finance Advanced Competency Certification

Number of certificates obtained in 2025

2

In addition to encouraging all employees to actively obtain sustainable finance certifications, the Company also requires sustainability personnel to hold relevant certifications. All staff members and supervisors serving in the Secretariat and Executive Secretary Office of the Sustainability and Ethical Corporate Management Committee have obtained the Sustainable Finance Basic Competency Certification, achieving a certification rate of 100%. More than 50% of these personnel have also obtained the Sustainable Finance Advanced Competency Certification, meeting the capability-building requirements under the FSC's Green and Transition Finance Action Plan and ensuring that key members responsible for sustainability initiatives possess adequate professional expertise and knowledge.

Sustainability Awareness Promotion and Advocacy

In addition to the aforementioned training programs and incentive measures aimed at enhancing sustainability awareness within the organization, the Company actively promotes the UN SDGs and Taiwan's sustainable development policies to employees and external stakeholders through a variety of channels and initiatives. These efforts encompass client engagement activities, financial literacy promotion programs, sustainability advocacy initiatives, and sustainable social and community development projects. Through these diverse activities, the Company seeks to progressively embed the principles of sustainable development into its corporate culture and further enhance sustainability awareness throughout society. In 2025, a total of 2,001 related activities were conducted, as summarized below:

Activity Type	Stakeholder Type	Session	Aligned Policy	Corresponding Chapter in This Report
Customer Activities	Corporations, Investors	5	FSC Green Finance Action Plan, 8	3.1
Financial Literacy Promotion	General Investors, Young Adults, and Students	780	FSC Financial Literacy Promotion Policy, Executive Yuan Anti-Fraud Action Plan, 8	3.3
Employee Health Promotion	Employees	723	Healthy Taiwan Policy of the Executive Yuan, 3, 4	4.3
Biodiversity	Communities, Employees	4	13, 15, 17	5.2
Supplier Relations	Supplier	1	12	5.4
Local Common Good Actions	Communities, Employees	50	11, 12, 17	5.5
Sustainability Awareness Promotion	Communities, Employees	49	4, 13, 17	5.5
Social Participation and Public Welfare Actions	Communities, Employees	382	4, 10, 14, 17	5.5
Sustainability Initiatives and Commitments	Government Agencies, Communities	7	13, 17	5.5

1.2 Sustainable Governance Framework

KGI Securities adopted the "KGI Securities Co., Ltd. Sustainable Development Best Practice Principles" following Board approval on January 12, 2023, and officially promulgated them on January 17, 2023. In accordance with the "Corporate Governance Best Practice Principles for Securities Firms," the Company established a Sustainability Committee based on its commitment to sustainable operations, which reports directly to the Board of Directors. The Company's "Sustainability Committee Organizational Charter" was approved by the Board of Directors on March 27, 2023, setting forth the composition of the Sustainability Committee, its duties and responsibilities, rules of procedure, and the resources to be provided by the Company for the exercise of its functions. In June 2025, the Board of Directors approved the integration of the Sustainability Committee and the Ethical Corporate Management Committee into the Sustainability and Ethical Corporate Management Committee.

Members of the Sustainability and Ethical Corporate Management Committee are appointed by resolution of the Board of Directors. The Committee consists of four members, including two directors and two independent directors. The Chairman of the Company serves as an ex officio member and acts as the Chairperson and meeting chair of the Sustainability and Ethical Corporate Management Committee. The Committee reports its implementation results and future work plans to the Board of Directors at least once each quarter.

All four members of the Sustainability and Ethical Corporate Management Committee possess professional knowledge and expertise in corporate sustainability. Chairman Daw-Yi Hsu and the Committee members possess diverse professional backgrounds in the financial industry, strategic planning, risk management, finance, information security, and corporate governance, and continuously enhance their sustainability expertise through participation in external sustainability-related courses and forums each year. Among them, Chairman Daw-Yi Hsu previously served as a member of the Sustainability Committee of the parent company, KGI Financial Holding. Director Falco Mi serves as a member of the Sustainability Committee of the Taiwan Securities Association and the Sustainability Committee of KGI Futures, and currently also serves as Chair of the Supervisory Board of the Taiwan Carbon Credits Digital Economy Development Association. Independent Director Kai-Chieh Chia has served as a member of the Company's Sustainability and Ethical Corporate Management Committee for two consecutive terms and possesses expertise in information security and technology risk management. Independent Director Tzu-Jung Kuo is a CPA with many years of audit experience in the financial industry, is well versed in internal control and risk management, and holds the qualification of Eldercare Financial Planning Consultant. Overall, the Committee possesses sufficient professional knowledge and practical experience in corporate sustainability, enabling it to effectively oversee and promote the implementation of the Company's sustainable development policies.

Sustainability Committee Organizational Structure

Under the Sustainability and Ethical Corporate Management Committee, a Task Force has been established and is led by the Company's President, who is responsible for promoting sustainable development policies. Based on the nature of the assigned responsibilities, six functional working groups have been formed, covering Corporate Governance, Social Welfare, Environmental Sustainability, Responsible Finance, Customer Rights and Interests, and Employee Care. Each working group is led by a managerial-level supervisor designated according to the nature of the function and scope of responsibility, and is responsible for coordinating the execution of the group's tasks. Based on their respective functions and responsibilities, each working group formulates annual material topics, sustainability objectives, and strategic priorities, and regularly reports them to the Sustainability and Ethical Corporate Management Committee. Following review and approval by the Committee, the proposals are submitted to the Board of Directors. The working groups are also responsible for collecting relevant information and assisting in the preparation of the Sustainability Report.

The Corporate Strategy & Planning Department serves as the dedicated unit responsible for coordinating the Company's sustainability initiatives and acts as the Secretariat and Executive Secretary Office of the Sustainability and Ethical Corporate Management Committee. It is responsible for coordinating the execution of activities across the six functional working groups, namely Corporate Governance, Responsible Finance, Customer Rights and Interests, Environmental Sustainability, Employee Care, and Social Welfare. Its responsibilities include annual target planning, meeting agenda preparation, follow-up on resolutions, and reporting on implementation results. The Department also establishes internal control mechanisms to regularly review the implementation of key initiatives and reports progress, findings, and recommendations to the Sustainability and Ethical Corporate Management Committee and the Board of Directors, ensuring that sustainable development policies are subject to oversight and guidance at the highest level of governance.

Board of Directors

Sustainability and Ethical Corporate Management Committee

President (Person Responsible for Promoting Sustainability Initiatives)

Corporate Strategy & Planning Dep. (Secretariat and Executive Secretary Office)

Functions of Each Working Group

Corporate Governance Working Group
- ✓ Information Security Protection
- ✓ Risk Management
- ✓ Legal Compliance
- ✓ Internal Audit
- ✓ Ethical Corporate Management
- ✓ Information Disclosure

Social Welfare Working Group
- ✓ Public Welfare Activity Planning and Execution
- ✓ Social Care
- ✓ Corporate Image

Environmental Sustainability Working Group
- ✓ Sustainable Procurement
- ✓ Supplier Management
- ✓ Environmental Protection
- ✓ Energy Conservation and Carbon Reduction

Responsible Finance Working Group
- ✓ Responsible Investment
- ✓ Green Products
- ✓ ESG Products

Customer Rights And Interests Working Group
- ✓ Fair Treatment of Customers
- ✓ Protection of Customer Rights and Interests
- ✓ Service Improvement

Employee Care Working Group
- ✓ Protection of Employee Rights and Interests
- ✓ Career Planning
- ✓ Education and Training
- ✓ Occupational Safety and Health
- ✓ Labor-management Relations

1.3 Stakeholder Engagement and Communication

Stakeholder Identification

In 2023, the Company identified its stakeholders in accordance with the principles of the AA1000 Stakeholder Engagement Standard ("AA1000SES"). Based on the five key principles of responsibility, influence, tension, diverse relationships, and dependency, the Company analyzed KGI Securities' operating environment and considered trends among domestic and international peers. As a result, eight key stakeholders of KGI Securities were identified as "shareholders and investors, employees, customers, communities, investees, suppliers, government and regulatory authorities, and media." In 2025, the Company continued to communicate with these eight key stakeholders based on the aforementioned identification results, listened to their opinions, and actively responded.

Stakeholder Communication Channels and Response Outcomes

Stakeholders	Importance	Communication Channel	Communication Frequency and Outcomes
Shareholders and Investors	Support from Shareholders and Investors Enhances the Company's Corporate Value	✓ News Coverage and Material Information Disclosure: Media, MOPS, real-time disclosure, and announcement of material information. ✓ Shareholders' meetings, domestic and overseas investor conferences, analyst visits, conference calls, and forums. ✓ Shareholder Services and Investor Relations Contact	✓ A total of 69 material information disclosures and announcements were made. ✓ Held three annual general shareholders' meetings; published Annual Reports in both Chinese and English, and communicated with foreign investors. ✓ Held six investor conferences and online investor conferences.
Employees	Strong employee relations strengthen the foundation of sustainable business operations.	✓ Employee Satisfaction Survey ✓ Training notifications; announcements and communication of relevant policies and practices. ✓ Labor-management Meeting, Occupational Safety and Health Committee Meeting ✓ Announcements of Group job openings and Management Associate recruitment programs.	✓ An annual employee satisfaction survey is conducted each year. In 2025, the employee engagement rate was 70%. ✓ More than 218 employee notices and announcements were issued occasionally. ✓ Labor-management meetings were held on a regular basis, with a total of three meetings conducted during the year. ✓ Occupational Safety and Health Committee meetings were held on a regular basis, with a total of four meetings conducted during the year. ✓ Regular Collection of Employee Feedback
Customers	Customer support and trust contribute to the company's revenue growth.	✓ Advertising, Social Media ✓ Customer service email, customer service hotline, 24/7 AI-powered customer service, online customer service, 24-hour customer service hotline, customer complaint hotline, and website message board. ✓ Established dedicated customer identification numbers and implemented OTP SMS verification to protect customers against fraud. ✓ Establish a customer care mechanism. ✓ Customer Satisfaction Survey ✓ Conducted Financial Literacy Seminars and Wealth Management Information Sessions.	✓ The KGI Securities LOHAS Investor LINE Official Account exceeded 2 million followers, with 82,000 account linkages completed. ✓ A total of 185 posts were published on the official Facebook account, with the number of followers reaching 41,000. ✓ The "KGI Securities LOHAS Investor" YouTube channel published 135 financial and wealth management videos. ✓ Conducted 49 online financial seminars, with a cumulative total of 6,215 participants. ✓ Through online financial education platforms such as "Finance with Wen(財經要雯)," "KGI Stock Up(凱基股股漲)," and "Super U.S. Stock Show(超美股感 SHOW)," a total of 303 sessions were conducted in 2025, generating approximately 4,164,635 cumulative views. ✓ Conducted customer care initiatives for senior customers, with an average of approximately 9,000 customer interactions completed each quarter and an achievement rate of 100%. ✓ Conducted a total of 404 internal and external anti-fraud awareness seminars, reaching approximately 5,473,101 participants throughout the year.

Stakeholders	Importance	Communication Channel	Communication Frequency and Outcomes
Communities	Strong community relations help enhance brand image and brand favorability.	✓ Collaborate with NGO and local small-scale farmers to carry out various community volunteer activities, including partnerships with the Taiwan Foundation for the Blind, the Children Are Us Foundation, food banks, and toy banks. ✓ Encourage employees to form volunteer teams to participate in beach clean-up activities along Taiwan's coastline, helping to protect coastal areas and marine ecosystems. ✓ The KGI Charity Foundation continues to support disadvantaged groups and students in rural and underserved areas, striving to reduce the resource gap between urban and rural communities.	✓ Throughout the year, a total of 10,441 volunteer participations were recorded, with cumulative volunteer service hours reaching 36,931.5 hours. ✓ A total of 1,033 volunteers were mobilized to participate in 35 beach clean-up activities, collecting more than 1,530 kilograms of marine debris. Both the number of beach clean-up events and volunteer participants ranked first among financial institutions. ✓ Provided nutritious breakfasts to a total of 1,317 disadvantaged students facing multiple challenges across 54 rural schools. ✓ Provided subsidies for enhanced nutritious school lunches to a total of 3,412 disadvantaged students in rural areas across 69 schools.
Investees	The operating performance of investees directly impacts the Company's profitability.	✓ Participate in shareholders' meetings and Board meetings of investees and exercise voting rights. ✓ Visit investees.	✓ In 2025, KGI Securities communicated with the management of investee companies through conference calls and in-person meetings (4,245 times), email correspondence (749 times), participation in investor conferences (851 times), and attendance at Annual General Meetings of Shareholders or significant extraordinary shareholders' meetings (1,107 times). These engagements enabled the Company to gain a deeper understanding of and discuss management's perspectives on industry risks and strategic responses. ✓ Achieved a 100% participation rate in investee companies' shareholders' meetings in 2025.
Supplier	Suppliers that provide safe and environmentally friendly products or services support stable business operations.	✓ Sign the "Supplier Corporate Social Responsibility Commitment." ✓ Tender Briefing Session ✓ Supplier Conference ✓ Supplier audits, evaluations, self-assessments, education and training, and outstanding supplier recognition. ✓ Participation in green procurement promotion activities.	✓ Achieved a 100% signing rate of the "Supplier Corporate Social Responsibility Commitment" among major suppliers. ✓ Prior to the tender opening for construction and renovation projects, the Facilities Management and Administration Department's Construction and Maintenance Section conducts a tender briefing session. ✓ Collaborated with the KGI Financial Holding Group to hold the Annual Supplier Conference on a regular basis each year. ✓ Conducted supplier audits, evaluations, and self-assessments occasionally.
Government and Competent Authorities	Government and competent authority policies directly influence the Company's operational direction.	✓ Participation in policy discussion meetings and symposiums. ✓ Visit competent authorities.	✓ Participated in discussion meetings and symposiums occasionally. ✓ Responded to regulatory inspections occasionally and provided information in a timely manner.
Media	Maintain good relationships with the media and establish effective communication channels to convey the Company's operational developments through media coverage.	✓ Press release: Occasionally ✓ Press conference: Occasionally ✓ Media communication: Real-time	✓ A total of 99 press releases were issued during the year. ✓ Press conferences held: 3 ✓ A dedicated unit and designated personnel are responsible for media communications and provide timely responses to media inquiries.

1.4 Material Topic Analysis and Management Approach

Material Topic Identification Process

KGI Securities identifies and researches sustainability topics with reference to the GRI Standards, SASB Standards, international sustainable development trends, industry practices in Taiwan, and Group strategies. The results of the annual internal assessment questionnaire and the biennial external stakeholder assessment questionnaire are reviewed and evaluated by the working groups of the Sustainability and Ethical Corporate Management Committee. Material topics are then determined after discussion, evaluation, and consideration of external expert opinions. A total of 11 material topics were identified in the 2025 KGI Securities Sustainability Report. The detailed assessment and identification process is as follows:

step 01

Collection and Identification

The working groups of the Sustainability and Ethical Corporate Management Committee referenced international sustainability-related standards, global sustainable development trends, industry practices in Taiwan, and Group strategies, while also considering industry characteristics, to identify and compile 16 sustainability topics for the materiality assessment.

step 02

Assessment Method

A double materiality assessment approach was adopted to evaluate the impacts of sustainability topics on the external economy, environment, people, and human rights, as well as their impacts on the Company's operations. The results of the sustainability materiality assessment and the financial materiality assessment were then consolidated to identify the material sustainability topics for the year.

step 03

Analysis Process

- ✓ Sustainability Materiality Impact Assessment: Members of the working groups of the Sustainability and Ethical Corporate Management Committee, along with senior management, evaluated the impacts of sustainability topics on the economy, environment, and people (including human rights) [Note 1]. These results were combined with stakeholders' level of concern regarding sustainability topics [Note 2] to determine the significance of each sustainability topic to external stakeholders. Topics assessed as having a medium to high level of impact were identified as key topics and incorporated into the management approach for material topics.
- ✓ Financial Materiality Impact Assessment: Relevant departments responsible for each sustainability topic assessed the potential financial impacts of the risks and opportunities associated with the topic [Note 3]. Topics assessed as having a medium to high financial impact were identified as key topics and managed accordingly.

step 04

Confirm

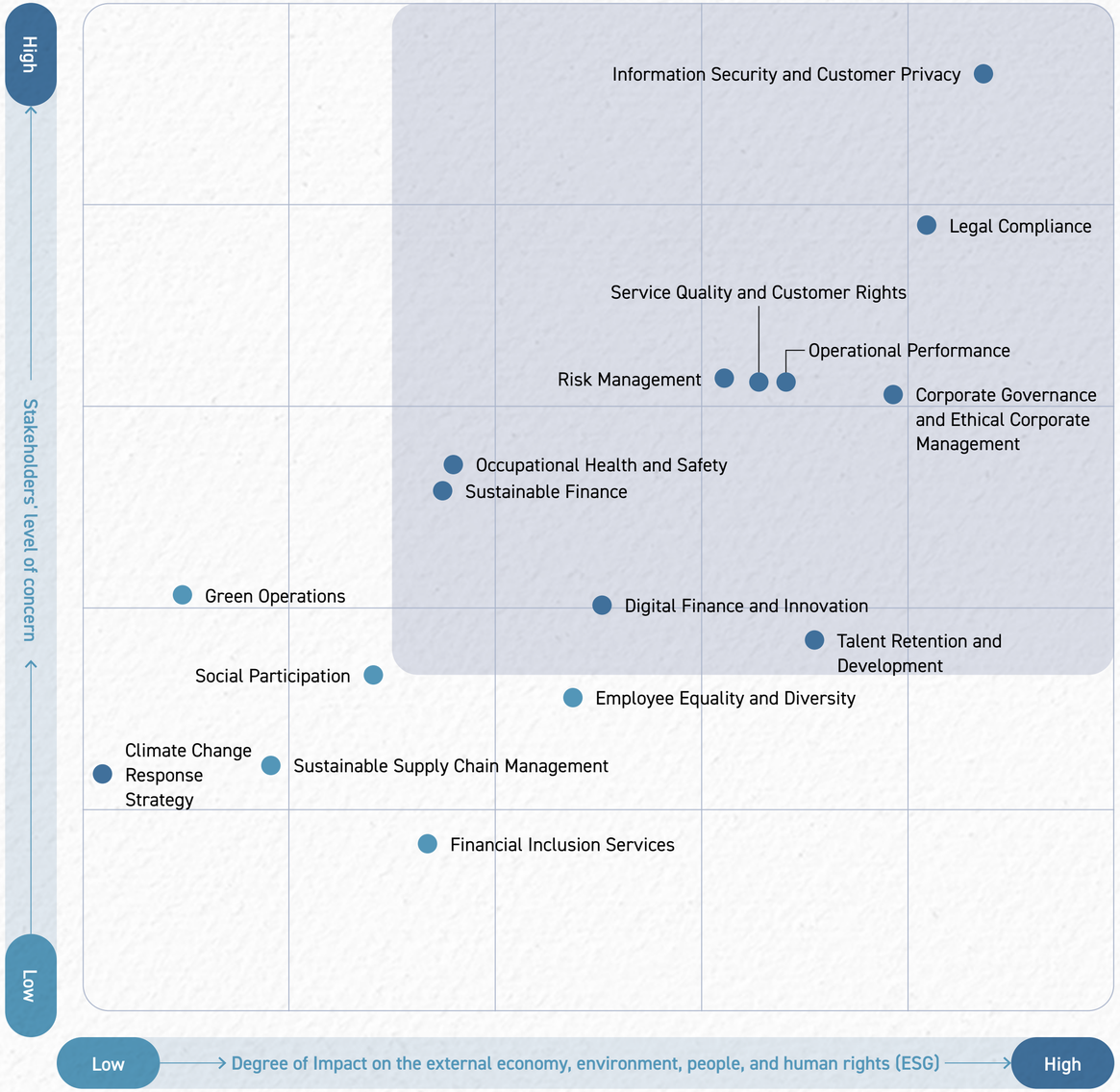
Following a comprehensive assessment and discussion, the working groups of the Sustainability and Ethical Corporate Management Committee prioritized topics identified as key under both dimensions of the double materiality assessment. In addition, with reference to the GRI Standards, sustainability topics of greater significance to external stakeholders were also incorporated. As a result, a total of 11 material topics were identified in 2025.

The results of the sustainability materiality assessment, financial materiality assessment, and material topic identification were all submitted to the Sustainability and Ethical Corporate Management Committee and the Board of Directors for review and approval.

Note1: For the 16 sustainability topics, the likelihood and magnitude of potential positive and negative impacts on E (Environmental), S (Social/Human Rights), and G (Governance) dimensions were assessed.

Note2: The stakeholder concern assessment questionnaire for external stakeholders is conducted once every two years. The assessment was performed in 2023, and in 2025 the Company continued to engage with stakeholders based on the results of the aforementioned assessment.

Note3: The financial materiality assessment evaluates the degree of financial impact and likelihood of occurrence of the risks and opportunities associated with each sustainability topic.



Double Materiality Analysis Results

Following a comprehensive assessment of the sustainability materiality and financial materiality results by the working groups of the Sustainability and Ethical Corporate Management Committee, 11 material topics were ultimately identified, including "Legal Compliance, Operational Performance, Risk Management, Sustainable Finance, Digital Finance and Innovation, Information Security and Customer Privacy, Corporate Governance and Ethical Corporate Management, Talent Retention and Development, Service Quality and Customer Rights, Occupational Health and Safety, and Climate Change Response Strategy." The results of the Company's 2025 sustainability materiality and financial materiality assessments are presented below:

Sustainability Topics	Sustainability Materiality	Financial Materiality
Legal Compliance	Key	Key
Operational Performance	Key	Key
Risk Management	Key	Key
Sustainable Finance	Key	Key
Digital Finance and Innovation	Key	Key
Information Security and Customer Privacy	Key	Secondary
Corporate Governance and Ethical Corporate Management	Key	Secondary
Talent Retention and Development	Key	Secondary
Service Quality and Customer Rights	Key	Secondary
Occupational Health and Safety	Key	Secondary
Climate Change Response Strategy	Secondary	Key
Green Operations	Secondary	Secondary
Financial Inclusion	Secondary	Secondary
Employee Equality and Diversity	Secondary	Secondary
Social Participation	Secondary	Secondary
Sustainable Supply Chain Management	Secondary	Secondary

Management approach, target setting, and evaluation mechanisms for material topics

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Legal Compliance	2.1.5 Ethical Corporate Management and Legal Compliance	Government and Competent Authorities, Media, Employees	To ensure regulatory compliance, KGI Securities has established a culture of compliance among its employees by strengthening the promotion of, and training on, securities and futures laws and regulations. This enables all employees to become familiar with the regulations relevant to their duties and ensures that all business operations are conducted in accordance with applicable legal requirements. Through these efforts, the Company aims to reduce the risk of regulatory penalties, achieve the objectives of Ethical Corporate Management, and generate positive impacts on its operating environment.	10 REDUCED INEQUALITIES; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
The Company has established the "Assessment Content and Procedures for Legal Compliance" to govern key aspects of regulatory compliance operations, including: 1. Establish a clear and appropriate system for the communication, consultation, coordination, and dissemination of regulatory requirements. 2. Ensure that all operational procedures and management regulations are updated in a timely manner in accordance with relevant laws and regulations, so that all business activities remain compliant with applicable legal requirements. 3. Establish the assessment content and procedures for legal compliance, and supervise each department in conducting regular self-assessments of implementation effectiveness. 4. Provide appropriate legal training to personnel in each department. 5. Supervise overseas branches to ensure compliance with the laws and regulations of their respective jurisdictions.	KGI Securities promotes regulatory compliance awareness among its employees through various training programs and initiatives. The Company also conducts legal compliance self-assessments and compliance risk assessments to help ensure that the operational activities of all departments comply with applicable laws and regulations. In addition, through unethical conduct risk assessments, each department evaluates and identifies the level of unethical conduct risk associated with its operations, enabling the development of appropriate control measures and the effective implementation of the legal compliance framework.	1. Continue to implement the Company's ethical corporate management initiatives, including but not limited to conducting ethical corporate management education and awareness programs, performing ethical corporate management risk assessments, reporting the implementation status of ethical corporate management to the Sustainability and Ethical Corporate Management Committee and the Board of Directors, and operating the whistleblowing system. 2. Continue to carry out legal compliance activities related to fair customer treatment, including but not limited to conducting fair customer treatment assessments and providing advisory support to the Fair Customer Treatment Committee. 3. Continue to promote personal data protection initiatives, enhance employees' awareness of personal data protection through education and awareness programs, and continuously improve personal data protection practices to maintain certification under the personal information management system standard. 4. Continue to implement activities related to anti-money laundering, counter-terrorism financing, and counter-proliferation financing, including transaction monitoring model validation, system and process optimization, and the provision of education and training programs.	In alignment with the Financial Holding Company's Legal Compliance initiatives, digital and technological solutions are integrated with legal compliance management measures to enhance the comprehensiveness of the legal compliance management framework, strengthen the efficiency of legal compliance communications, and continue legal compliance education and awareness programs to reinforce employees' legal compliance awareness.	In alignment with the Financial Holding Company's legal compliance initiatives, continue to optimize and upgrade the legal compliance infrastructure built through digital and technological solutions, foster a legal compliance technology ecosystem across the KGI Financial Holding Group, enhance legal compliance effectiveness, and establish a more robust legal compliance framework.	The Company's legal compliance affairs are overseen by the head of the Legal Compliance Department, who reports directly to the President and is required to report on the Company's legal compliance status to the Board of Directors and the Audit Committee at least semi-annually. If any material violation of laws or regulations is identified, or if the Company's rating is downgraded by a regulatory authority, the matter shall be reported to the directors immediately, and the relevant legal compliance matters shall be submitted to the Audit Committee and the Board of Directors. In addition, the legal compliance status of business units is managed through a self-assessment mechanism. Units engaged in securities and futures business are required to conduct legal compliance self-assessments of securities and futures operations at least once every six months, and the results must be submitted to the Legal Compliance Department for recordation.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Risk Management	2.2 Risk Management	Shareholders and Investors, Customers, Investees, Government and Competent Authorities	To effectively manage the various risks and emerging risks associated with KGI Securities' operations and business activities, address related risk events and crises, and strengthen the Company's competitive advantages, appropriate risk management policies shall be established. These policies should be adjusted in response to changes in the operating environment, business activities, and operations, ensuring that risks remain within the Company's risk tolerance and supporting sustainable development.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
To effectively manage risks related to the Company's operations and strengthen its competitive advantages, the Company has established the "Risk Management Policy" and other relevant regulations in accordance with regulatory requirements, the KGI Financial Holding Group's "Risk Management Policy," and the Company's business development strategies, serving as the basis for risk management practices.	With respect to business limit management and risk management-related regulations for various business units, the Risk Management Department not only participates in the formulation and revision of relevant policies, but also works closely with other departments of the Company to implement related monitoring procedures. In addition, sophisticated and continuously improved risk information systems are utilized to support risk monitoring and facilitate effective risk management. Risk management reports and statements are provided to senior management on both a regular and an occasional basis as references for business decision-making.	1. Continue to complete the development of quantitative indicator programs based on business requirements. 2. Daily risk management reports are generated, and limit breach alerts and early warning notifications are automatically distributed. Market risk and credit risk reports are prepared on schedule and submitted to the Risk Management Committee. 3. Complete and publish the TCFD Report to enhance the Company's transparency and compliance in climate risk management. 4. Complete the consolidation of carbon emissions information for investment positions on a semi-annual basis.	1. Continue to optimize the high-risk stock identification mechanism for brokerage business operations and make dynamic adjustments in response to market changes. 2. Ensure the continuous improvement of the market and credit risk management framework and maintain market and credit risks within the Company's risk appetite. 3. Complete preparations for the adoption of the "IFRS S2 Climate-related Disclosures" requirements.	1. Continue to optimize the high-risk stock identification mechanism for brokerage business operations and make dynamic adjustments in response to market changes. 2. Enhance the Company's overall market and credit risk management capabilities to ensure resilience under various risk scenarios. 3. Disclose climate-related information in accordance with the "IFRS S2 Climate-related Disclosures" requirements.	The Company's risk management framework is regularly managed and overseen by internal committees, including the Risk Management Committee, Investment Review Committee, Product Review Committee, and Brokerage Business Credit Review Committee, which monitor the implementation and effectiveness of risk management measures. The Company also regularly reports its risk management framework to external regulatory authorities, including the FSC, the Securities and Futures Bureau of the FSC, the TWSE, and the TPEx. In addition, the Company undergoes regular financial examinations, risk assessments, and evaluations by Taiwan Ratings Corporation. Through these internal and external oversight mechanisms, the Company's risk management operations are subject to rigorous review and supervision.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Operational Performance	About KGI Securities	Shareholders and Investors, Employees, Customers, Investees	Enhance the Company's operational and financial performance, create value for shareholders and investors, and generate positive impacts on business operations and the economic environment.	8 DECENT WORK AND ECONOMIC GROWTH

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
The Company is committed to the continuous development of its securities business and to integrating sustainability principles into its operations.	Corporate operations face changes in the business environment arising from market fluctuations, demographic shifts, and environmental changes. To mitigate and adapt to these developments, the Company will strengthen its leading position in Taiwan's securities market, leverage its Asia-Pacific platform to expand cross-border financial services, deepen digital transformation and AI applications, reinforce its core wealth management and investment banking businesses, enhance operational efficiency, further develop the One KGI operating model, and advance ESG and sustainable finance initiatives, thereby building internationally competitive and globalized financial services.	The Company will continue to strengthen corporate governance and internal management systems, while providing employees with competitive compensation and benefits. Together, we strive to maximize operating performance each year, create value for shareholders and investors, and leverage our financial influence to contribute to environmental and social sustainability.			The Company will regularly report its operating performance to the Board of Directors, enabling directors to oversee operating results and allowing management to formulate improvement measures where necessary.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Information Security and Customer Privacy	2.3 Information Security	Shareholders and Investors, Customers, Investees, Media, Government and Competent Authorities	KGI Securities places great importance on information security. In alignment with its "Digital Transformation" and "Customer-Centric" strategies, the Company leverages innovative digital technologies to deliver convenient and secure financial digital services. With customers at the core of its approach, KGI Securities adheres to the highest standards of security protection, ranging from the convenience and security of front-end account opening processes to back-end information security governance and monitoring. Account security is the Company's foremost commitment to protecting its customers, and the highest standards of security technology are implemented across all operational platforms and interfaces.	10 REDUCED INEQUALITIES

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
To comply with applicable regulations, KGI Securities has established relevant procedures in accordance with the "Establishing Information Security Inspection Mechanisms for Securities Firms," the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets," and the Company's "Information Security Policy." These procedures are designed to ensure the effectiveness of monitoring, reporting, response, review, and learning mechanisms before, during, and after information security incidents. Through these measures, the Company can promptly implement necessary response actions when an information security incident occurs, take corrective measures afterward, restore operations as quickly as possible, and minimize potential damage resulting from such incidents. The company has also implemented an Information Security Management System and maintained ISO 27001 certification for more than five years. KGI Securities engages an independent professional consulting firm to conduct information security assessments and performs regular, high-standard information security health checks. In addition, the Company has established a cross-business information security task force with KGI Financial Holding Group to share information and intelligence, strengthen early warning capabilities through a financial holding company-level framework, and enhance collective cyber defense effectiveness, thereby putting the corporate value of collaboration into practice.	The Company has established the internal management policy known as, the "Information Security Policy," and, together with its domestic subsidiaries, continues to maintain ISO 27001 certification. The scope of certification covers the management of information system design, development, operation, and maintenance; network administration; computer data centers (including KGI Securities' in-house data center and outsourced IDC facilities); and related information processing support activities. The Information Security Department is responsible for overseeing the Company's information security protection and management, formulating information security policies and regulations, implementing annual information security projects, introducing information security technologies and control measures, conducting information security education and awareness programs, establishing information security monitoring mechanisms, and managing information security incident analysis, reporting, and response procedures. The Company has also obtained certification for the "ISO 22301:2019 Business Continuity Management System" and the "BS10012:2017 Personal Information Management System." It will continue to implement the requirements of these certification frameworks and maintain the validity of the certifications.	1. Continue to maintain the appointment of a CISO at the Executive Vice President level, as well as professional directors or advisors with information security expertise. 2. Maintain the validity of ISO 27001:2022 certification. 3. Continue to conduct information security education and training for all employees. 4. Conduct social engineering exercises. 5. Conduct information security incident response exercises at least once annually. 6. Conduct one internal audit of IoT device security controls. 7. Conduct one internal audit of the Information Security Checklist for Supplier Security Controls. 8. Maintain the validity of ISO 27001:2022 certification.	1. Continue to maintain the appointment of a CISO at the Executive Vice President level, as well as professional directors or advisors with information security expertise. 2. Maintain the validity of ISO 27001:2022 certification. 3. Continue to conduct information security education and training for all employees. 4. Conduct social engineering exercises. 5. Conduct information security incident response exercises at least once annually.	1. Continue to maintain the appointment of a CISO at the Executive Vice President level, as well as professional directors or advisors with information security expertise. 2. Maintain the validity of ISO 27001:2022 certification. 3. Continue to conduct information security education and training for all employees. 4. Conduct social engineering exercises. 5. Conduct information security incident response exercises at least once annually.	The Company has established an "Information Security Management Review Committee," convened by the President of KGI Securities, with the CISO serving as Deputy Convener. The Committee functions as an internal task-oriented organization and regularly reports the progress of information security initiatives to relevant departments. It also reports the overall status of the Company's information security management to the Board of Directors on an annual basis. The Committee convenes at least two meetings each year and is responsible for managing the agenda and proceedings of the annual information security management review meetings, overseeing the implementation of meeting resolutions, and reviewing and supervising the effectiveness of the Information Security Management System.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Service Quality and Customer Relations	3.3 Service Quality and Customer Relations	Shareholders and Investors, Customers, Investees	KGI Securities has long been committed to creating value through its core securities business while fulfilling its corporate social responsibility. The Company places the protection of financial consumers and the safeguarding of their best interests as its top priority. It strictly adheres to the Ten Principles of Fair Customer Treatment and is committed to building higher-quality and more comprehensive financial consumer services to enhance customer satisfaction and loyalty, maintain brand reputation and market competitiveness, and generate positive impacts on the financial market and economic environment.	8 DECENT WORK AND ECONOMIC GROWTH

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
Guided by the service philosophy of "Treat Customers with Fairness and Empathy, as We Would Ourselves," under the leadership of the Board of Directors, KGI Securities actively promotes various initiatives to continuously embed the principles of Fair Customer Treatment into its corporate culture. The Company is also committed to advancing accessible and customer-friendly financial services and realizing the sustainable value of ethical corporate management, enabling customers to feel that "investing should be a reassuring, secure, and seamless experience."	KGI Securities actively establishes and continuously enhances communication and engagement platforms for various customer groups. These include, but are not limited to, explanations of important customer rights and interests, customer service and complaint channels, anti-fraud awareness and protection measures, key service enhancement initiatives, and information on domestic and international stock market holidays. The Company is also committed to protecting financial consumers, fulfilling its corporate social responsibility, and adhering to the principles of fair customer treatment. It ensures that all products and services are aligned with and effectively implement these principles while continuously maintaining the validity of its ISO 10002:2018 Customer Complaint Management System certification.	**Customer Services** 1. Achieve average CTI customer service satisfaction score ≥ 4.5 Points. 2. Achieve customer service center first-contact resolution rate ≥ 98.5%. 3. Regularly convene customer complaint review meetings to identify key customer pain points and optimize improvements to the Company's operations and system interfaces. 4. Target percentage of cases resolved within 7 days exceed the Company's target of 60%. 5. Target average branch compliance score exceed 90 points. **Financial Inclusion** 1. Increase the number of regular investment plan accounts to 95,000. 2. Develop and enhance the "Mobile e-Strategy" US Stock Real-Time Market Information and Trading Platform to provide customers with more comprehensive overseas stock information and trading services, while continuously optimizing platform functionality. 3. Increase viewership of the "KGI Securities LOHAS Investor" YouTube channel by 1 million views.	**Customer Services** 1. Achieve average CTI customer service satisfaction score ≥ 4.5 Points. 2. Achieve customer service center first-contact resolution rate ≥ 99%. 3. Regularly convene customer complaint review meetings to identify key customer pain points and optimize improvements to the Company's operations and system interfaces. 4. Target percentage of cases resolved within 7 days exceeded the Company's target of 60%. 5. Target average branch compliance score exceeded 90 points. **Financial Inclusion** 1. Increase the number of regular investment plan accounts to 100,000. 2. Continuously optimize the functionality of the US Stock Real-Time Market Information and Trading Platform based on actual usage patterns to enhance trading efficiency, create a one-stop overseas investment experience, and increase user engagement and trading volume. 3. Increase viewership of the "KGI Securities LOHAS Investor" YouTube channel by 3.6 million views.	**Customer Services** 1. Achieve average CTI customer service satisfaction score ≥ 4.5 Points. 2. Achieve customer service center first-contact resolution rate ≥ 99%. 3. Regularly convene customer complaint review meetings to identify key customer pain points and optimize improvements to the Company's operations and system interfaces. 4. Target percentage of cases resolved within 7 days exceed the Company's target of 60%. 5. Target average branch compliance score exceed 90 points. **Financial Inclusion** 1. Increase the number of regular investment plan accounts to 120,000. 2. Continuously optimize the functionality of the US Stock Real-Time Market Information and Trading Platform based on actual usage patterns to enhance trading efficiency, create a one-stop overseas investment experience, and increase user engagement and trading volume. 3. Increase viewership of the "KGI Securities LOHAS Investor" YouTube channel by 3.6 million views.	To ensure that the principles of fair customer treatment become a shared value system and code of conduct throughout KGI Securities, the Company has established a "Fair Customer Treatment Committee" to coordinate the planning of fair customer treatment initiatives and regularly oversee the implementation of related matters. The Committee is convened by the President, and the implementation results are regularly reported to the Board of Directors.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Corporate Governance and Ethical Corporate Management	2.1 Corporate Governance and Ethical Corporate Management	All Stakeholders	Pursuant to the Company's "Employee Code of Conduct," all employees are required to comply with all applicable laws and regulations governing the conduct of financial professionals as prescribed by regulatory authorities, as well as the Company's internal policies, procedures, and internal control requirements. The Chairman, Vice Chairman, President, department heads, employees above designated management levels and their secretaries or administrative assistants, as well as personnel at the Senior Vice President level and above in Human Resources, Finance, Board Secretariat, Internal Audit, and other designated functions, are all required to sign a commitment letter to comply with the Company's corporate governance framework. This commitment has a positive impact on the conduct of the Company's business activities and overall operations.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
The Company places great importance on corporate governance and ethical corporate management and has established internal regulations, including the "Code of Ethical Conduct," the "Corporate Governance Best Practice Principles," the "Guidelines for Concurrent Positions Held by Responsible Persons and Business Personnel," the "Management Guidelines for Concurrent Positions Held by Responsible Persons and Business Personnel," and the "Employee Code of Conduct." In addition, the Company conducts annual education and awareness programs on corporate governance and ethical corporate management to strengthen employees' understanding of these important topics. The Board of Directors has approved the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct," thereby establishing a comprehensive framework for the Company's ethical corporate management practices.	The Chairman, Vice Chairman, President, department heads, employees above designated management levels and their secretaries or administrative assistants, as well as personnel at the Senior Vice President level and above in Human Resources, Finance, Board Secretariat, Internal Audit, and other designated functions, are all required to sign a commitment letter to comply with the Company's corporate governance framework. This commitment has a positive impact on the conduct of the Company's business activities and overall operations.	1. Continue to strengthen professional capabilities in corporate governance and sustainability, enhance information transparency, and protect and respect the rights of shareholders and stakeholders. 2. Continue to implement the Company's ethical corporate management initiatives, including but not limited to conducting ethical corporate management education and awareness programs, performing ethical corporate management risk assessments, and operating the whistleblowing system.	1. Establish sound governance mechanisms for the Board of Directors and its functional committees, fulfill management's duty of care, promote the implementation of sustainable development, and continuously review and improve effectiveness to ensure the successful execution of sustainability policies. 2. Continue to implement the Company's ethical corporate management initiatives, including but not limited to conducting ethical corporate management education and awareness programs, performing ethical corporate management risk assessments, and operating the whistleblowing system.	1. Through appropriate communication channels, understand the reasonable expectations and needs of stakeholders and respond appropriately to the material sustainability issues of concern to them. 2. Continue to implement the Company's ethical corporate management initiatives, including but not limited to conducting ethical corporate management education and awareness programs, performing ethical corporate management risk assessments, and operating the whistleblowing system.	To enhance corporate governance effectiveness, KGI Securities upholds operational transparency, focuses on long-term development strategies, and is committed to sustainable business operations. The Company firmly believes that a sound and effective Board of Directors is the cornerstone of good corporate governance. Under this principle, the Board of Directors has established the "Audit Committee," "Remuneration Committee," "Risk Management Committee," and "Sustainability and Ethical Corporate Management Committee" to fully leverage the Board's professional and independent oversight functions and to uphold the principles of corporate governance.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Talent Retention and Development	4.2 Talent Retention and Development	Employees	To strengthen human capital and advance talent development, thereby achieving its operational performance and sustainable development objectives, KGI Securities not only provides the education, training, and professional competency development required under applicable regulations, but also expands ESG engagement and cultivates sustainable finance talent. Through these efforts, the Company aligns talent development with broader social objectives and the sustainable development goals of the financial industry, creating positive impacts for society and supporting sustainable business operations.	4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
Various training programs are conducted in accordance with applicable laws and regulations and the Company's "Employee Training Guidelines." In addition, sustainable development topics and ESG-related training are integrated into existing professional competency development programs.	The Company will continue to implement various training and competency development programs. In response to the sustainable development trends of the financial industry, ESG-related issues and other diverse professional development courses have been incorporated into the annual training plan to strengthen organizational alignment and awareness of sustainable development, facilitate the implementation of related initiatives and the achievement of desired outcomes, and reduce negative impacts arising from insufficient understanding or awareness.	1. Attract Diverse Talent: Expand diverse recruitment channels, cultivate cross-disciplinary financial professionals, and attract young talent through industry–academia collaboration programs, summer internships, and Management Associate programs. 2. Enhance the New Hire Experience: Optimize the onboarding journey for new employees. 3. Develop Successors and High-potential Talent: Build a succession pipeline and talent pool for high-potential employees. 4. Enhance Employees' Key Skills: Achieve an average of more than 50 training hours per employee. 5. Promote Diversity, Equity, and Inclusion: Enhance diversity and inclusion initiatives and extend their applicability to non-employees (including dispatched personnel). 6. Enhance Human Rights Communication and Mechanisms: Provide human rights-related training with a participation rate exceeding 90% and extend the applicability of relevant measures to non-employees (including dispatched personnel).	1. Attract Diverse Talent: Recruit talent from diverse backgrounds, including recent graduates, and progressively increase annual hiring numbers. 2. Enhance the New Hire Experience: Gradually increase new employee onboarding satisfaction year by year. 3. Develop Succession and High-potential Talent: Maintain a retention rate of key talent above 80%. 4. Enhance Employees' Key Skills: Achieve an average of more than 55 training hours per employee. 5. Promote Diversity, Equity, and Inclusion: Enhance DEI initiatives and conduct regular awareness campaigns on diversity and inclusion. 6. Enhance Human Rights Communication and Mechanisms: Improve human rights promotion measures and conduct regular awareness campaigns on human rights.	1. Attract Diverse Talent: Recruit talent from diverse backgrounds, including recent graduates, and progressively increase annual hiring numbers. 2. Enhance the New Hire Experience: Gradually increase new employee onboarding satisfaction year by year. 3. Develop Succession and High-potential Talent: Maintain a retention rate of key talent above 80%. 4. Enhance Employees' Key Skills: Achieve an average of more than 55 training hours per employee. 5. Promote Diversity, Equity, and Inclusion: Enhance DEI initiatives and conduct regular awareness campaigns on diversity and inclusion. 6. Enhance Human Rights Communication and Mechanisms: Improve human rights promotion measures.	The Employee Care Working Group is responsible for promoting the employee rights strategy under the Company's Sustainable Development Best Practice Principles, complying with relevant labor laws and regulations, implementing employee training and care, emphasizing human rights and occupational safety and health, and providing corporate systems suitable for employees' career development. The Employee Care Working Group regularly reports to the Sustainability and Ethical Corporate Management Committee on the implementation effectiveness of talent development, diversity, and inclusion-related initiatives. It also regularly conducts employee engagement surveys and annual statistical analyses of employee turnover rates to understand internal employees' opinions based on the survey and analysis results, and to formulate and implement improvement measures.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Occupational Health and Safety	4.3 Occupational Health and Safety	Employees	KGI Securities regards its employees as important assets. The Company shall establish comprehensive occupational safety and health management policies to ensure that employees enjoy a safe, healthy, and friendly work environment, enabling them to perform their duties without concerns, thereby enhancing work efficiency and creating positive benefits for employees' human rights.	3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
KGI Securities upholds the principles of "professionalism, integrity, and honesty." The management team continues to take "safety and health, and sustainable development" as its operational objectives, and has specifically established the "Occupational Safety and Health Management Guidelines" to ensure the effective and proper operation of the Company's occupational safety and health system, while striving to provide employees with the highest-quality workplace environment.	In 2023, the Company established the Occupational Safety and Health Committee, which is responsible for overseeing occupational safety and health-related matters. Going forward, the Company will continue to ensure the effective operation of the ISO 45001 Occupational Health and Safety Management System to provide employees with a safe and healthy work environment. It will also continue to implement the "Maternal Health Protection Plan," the "Ergonomic Hazard Prevention Plan," and the "Abnormal Workload-Induced Disease Prevention Plan," while engaging visually impaired massage service providers to care for employees' physical and mental health and fulfill corporate social responsibility.	1. Maintain the validity of ISO 45001 external certification. 2. Continuously manage occupational safety and health risks. 3. The case management rate for high-risk employees reach 100%. 4. Continue to expand health promotion activities and promote diverse and friendly workplace measures.	1. Maintain the validity of ISO 45001 external certification. 2. Continuously manage occupational safety and health risks. 3. Continue to expand health promotion activities and promote diverse and friendly workplace measures.	1. Maintain the validity of ISO 45001 external certification. 2. Continuously manage occupational safety and health risks. 3. Continue to expand health promotion activities and promote diverse and friendly workplace measures.	In 2023, the Company established the Occupational Safety and Health Committee and regularly convenes occupational safety and health meetings every three months. During the meetings, the Company evaluates and improves its occupational safety and health system, discusses occupational safety and health issues, and reports the meeting results to the President. In addition, the Company regularly conducts external audit reviews of the ISO 45001 Occupational Health and Safety Management System, and the labor inspection office of the competent jurisdiction conducts unscheduled inspections of the occupational safety and health system to ensure it operates properly and continuously.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Sustainable Finance	3.1 Sustainable Finance	Shareholders and Investors, Customers, Investees	KGI Securities upholds the development philosophy of KGI Financial Holding Group and is committed to sustainable operations. The Company actively promotes green finance, such as assisting enterprises in evaluating and pricing ESG bonds and serving as the lead underwriter for multiple sustainability bonds. It also guides and assists companies applying for listing on the TWSE or TPEx in enhancing the transparency and completeness of their sustainable development information disclosure, provides issuers with fundraising solutions that balance economic benefits and positive environmental impacts, offers investors diversified investment opportunities, and strives to fulfill its intermediary role as a securities firm.	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
To implement the "Principles for Responsible Investment" and the "SDGs," and to comply with the TPEx's "Stewardship Principles for Institutional Investors," KGI Securities has established the "Responsible Investment Policy" and the "Sustainable Finance Commitment," which stipulate that the Company shall consider ESG and other sustainable operation factors at all stages, including investment target evaluation, investment decision-making, and investment management, and carry out stewardship actions to enhance investment value and promote the sound development of the Company and its investee companies.	The Company actively promotes the principles of responsible investment and sustainable finance development. In addition to actively participating in the shareholders' meetings of investee companies, it also provides clients with consulting assistance for sustainable transformation, advocates and facilitates the issuance of sustainability bonds, and has set targets for reducing the proportion of high-carbon industries in its long-term investment positions, annual reduction targets for the carbon emissions of its overall investment portfolio, and annual growth targets for the proportion of mid- to long-term green bond positions.	1. Each business unit implements net-zero carbon emission actions in accordance with the annual targets of the Responsible Finance Working Group approved by the Board of Directors. 2. Continue to actively engage in dialogue and interaction with investee companies to understand their operational strategies, ESG implementation status, and outlook, and achieve a 100% participation rate in the shareholders' meetings of investee companies.	1. Based on the net-zero carbon emission target, plan, establish, and implement relevant strategies for the decarbonization of the investment and financing portfolio in a step-by-step manner, and gradually achieve the investment decarbonization target. 2. Actively pursue sustainable bond underwriting cases, and achieve the annual growth target for the proportion of green bonds in long-term investment positions to promote the green finance strategy. 3. Continue to actively participate in the shareholders' meeting proposals of investee companies, achieve a 100% electronic voting rate for proposals, and enhance the information transparency of equity underwriting target clients.		The Company has established the Responsible Finance Working Group under the Sustainability and Ethical Corporate Management Committee, coordinated by the President and jointly promoted by the relevant business departments. Through regular reviews of implementation performance and strategic adjustments, the Company continues to enhance the effectiveness of responsible finance implementation.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Digital Finance and Innovation	3.2 Innovative Digital Services	Shareholders and Investors, Customers, Media	KGI Securities upholds the core philosophy of "Treat Customers with Fairness and Empathy, as We Would Ourselves." Through technological innovation, experience design, and user feedback, the Company effectively resolves customers' pain points and continuously makes improvements. With digital services that "strive for your prosperous life," the Company enhances the convenience and trust of customer use, thereby improving customer loyalty and product stickiness while also generating positive environmental benefits.	8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 17 PARTNERSHIPS FOR THE GOALS

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
Amid the trend of rapidly maturing generative AI, the financial industry is moving toward a service transformation driven by data and intelligent decision-making. KGI Securities combines generative AI technology with professional investment advisory experience to create intelligent investment services based on human-machine collaboration. Through applications such as market guidance, strategic planning, and AI stock selection, the Company is gradually realizing the vision of an AI securities virtual salesperson, providing real-time, integrated, and more precise investment and wealth management services.	The Company provides 24/7 online services to all market investors through a one-stop intelligent customer service platform, covering operational inquiries, customer feedback, and personalized services. At the same time, it combines AI data analytics with KGI Investment Advisory's expertise to create human–machine collaborative investment, wealth management, and stock selection services that meet the needs of investors at different stages of their investment journeys.	Digital Finance 1. Target transaction system enhancements or new services ≥ 50 items. 2. Provide at least three API programming languages and technical documentation for customers to choose from.	Digital Finance Integrate various financial technology developments to advance digital services toward more personalized and professional services.	Digital Finance In line with the regulatory authorities' financial policy liberalization roadmap, introduce AI intelligence to optimize personalized and customized professional services.	The Company has established the Customer Rights Working Group under the Sustainability and Ethical Corporate Management Committee, coordinated by the President and jointly promoted by relevant departments. Through regular performance reviews and strategic adjustments, the Company continues to strengthen the protection of customer rights and enhance service quality.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Green Operations	Chapter 5 Green Operations and Social Co-prosperity	Communities, Suppliers, Government and Competent Authorities	KGI Securities follows the "Low-carbon and Sustainable Environment" vision and strategy of KGI Financial Holding Group's sustainability framework. Recognizing the escalating risks of climate change, the Company actively plans to reduce its own greenhouse gas emissions and identifies low-carbon industries and enterprises with growth potential, working together to promote the low-carbon transition and generate positive environmental benefits.	7 Affordable and Clean Energy; 12 Responsible Consumption and Production; 13 Climate Action; 15 Life on Land

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
KGI Securities follows the SBTi short-, mid-, and long-term target-setting framework and decarbonization pathway, and commits to reducing carbon emissions from its own operations by 42% by 2030 compared with the base year. In 2024, the Company adopted the "Environmental Policy," incorporating aspects related to its own operations, climate change, biodiversity, environmental education, and sustainable procurement. The Company is committed to establishing an appropriate environmental management system and continuously pursuing its environmental sustainability objectives.	In alignment with the SBTi, the Company has established specific targets and measures for low-carbon operations and environmental protection. It actively promotes and fosters a sustainable living environment, develops mitigation and adaptation measures related to climate risks and opportunities, places importance on biodiversity and natural environmental issues, and extends relevant sustainability concepts to upstream and downstream business partners to facilitate the realization of a sustainable supply chain.	1. Achieve the SBTi decarbonization pathway target by reducing emissions by 21% in 2026 compared with the 2022 base year, meeting the annual carbon reduction target of 4.2%. 2. Achieve a renewable energy usage ratio of 20%. 3. Continue to maintain the scope of greenhouse gas inventory and verification, achieving a coverage rate of 100%. 4. Continue to promote environmental sustainability initiatives. 5. Maintain a 100% signing rate of the "Supplier Sustainability Commitment" among major suppliers. 6. Achieve an ESG due diligence assessment rate of 85% for suppliers.	1. Achieve the SBTi decarbonization pathway target by reducing emissions by 31.5% in 2027 compared with the 2022 base year, meeting the annual carbon reduction target of 4.2%. 2. Continue to promote environmental sustainability initiatives. 3. Maintain a 100% signing rate of the "Supplier Sustainability Commitment" among major suppliers. 4. Achieve an ESG due diligence assessment rate of 85% for suppliers.	1. Achieve the SBTi decarbonization pathway target by reducing emissions by 42% by 2030 compared with the 2022 base year. 2. Continue to promote the use of renewable energy. 3. Continue to promote environmental sustainability initiatives. 4. Maintain a 100% signing rate of the "Supplier Sustainability Commitment" among major suppliers. 5. Achieve an ESG due diligence assessment rate of 85% for suppliers.	The Company will regularly engage with institutional investors each year to understand their ESG strategies and provide explanations and recommendations, thereby implementing its stewardship policy. Internally, the Company regularly convenes meetings through the "Environmental Sustainability Working Group" under the Sustainability and Ethical Corporate Management Committee to review the implementation of its low-carbon operational transformation. The Company also conducts external verification of the GHG Inventory Mechanism, the ISO 14001 Environmental Management System, and the ISO 50001 Energy Management System. In addition, it plans energy and resource conservation measures as well as decarbonization initiatives, and regularly reviews the effectiveness of these measures to ensure effective management and control.

Material Topics	Corresponding Chapter	Affected Stakeholders	Operational Significance	Corresponding SDGs
Climate Change Response Strategy	5.1 Climate Change Management	Shareholders and Investors, Customers, Investees, Government and Competent Authorities	Climate change increases corporate risks, requiring the integration of management strategies to enhance resilience and competitiveness. The Company develops mitigation and adaptation measures related to climate risks and promotes low-carbon innovation to meet market demand, thereby ensuring sound operations and sustainable development.	11 SUSTAINABLE CITIES AND COMMUNITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION

Policy and Commitments	Action Guidelines	Short-term Goals(2026)	Mid-term Goals(2027-2029)	Long-term Goals(2030-2034)	Evaluation Mechanism
KGI Securities has established the "Climate Change Management Guidelines" and, in collaboration with an external team of experts, follows the four core pillars of the TCFD framework set forth in the "Climate Change Information Disclosure Guidelines for Securities Firms" to establish its climate governance structure, climate strategy, risk management framework, and metrics and targets, while developing mitigation and adaptation measures related to climate risks.	1. In alignment with the Financial Holding Company's net-zero carbon emissions target ("2045 Portfolio Net Zero") and the SBTi investment target-setting framework, the Company promotes actions across four key areas, including reducing the proportion of financing for high-carbon industries, increasing investments in entities that have established SBTi targets, promoting the issuance and investment of sustainability bonds, and implementing and disclosing information in accordance with the TCFD framework and publishing related reports. 2. In alignment with the SBTi operational decarbonization targets, the Company actively implements climate risk response measures.	1. Maintain the investment proportion in high-carbon industries below 23%. 2. Continue to refrain from providing direct financing and investment support for thermal coal and unconventional oil/natural gas-related projects (including new extraction projects and the continued expansion of existing projects), as well as projects of companies engaged in the continued expansion of thermal coal and unconventional oil/natural gas-related businesses [Note 1]. 3. Develop climate risk management tools, such as climate risk appetite and scenario analysis. 4. Complete the identification and analysis of climate-related risks and opportunities, and regularly monitor and disclose carbon emissions information of relevant departments.	1. Maintain the investment proportion in high-carbon industries with an annual reduction of 0.5%–1.5%. 2. Continue to refrain from providing direct financing and investment support for thermal coal and unconventional oil/natural gas-related projects (including new extraction projects and the continued expansion of existing projects), as well as projects of companies engaged in the continued expansion of thermal coal and unconventional oil/natural gas-related businesses [Note 1]. 3. Complete the preparation for alignment with the "IFRS S1/S2 Climate-related Disclosure Requirements." 4. Continue to enhance the methodology for climate risk scenario analysis.	1. Reduce the investment proportion in high-carbon industries by 0.5%-1.5% annually. 2. Before 2030, phase out most [Note 2] direct financing and investment support [Note 3] for thermal coal and unconventional oil/natural gas-related industries in industrialized countries, including European Union member states and member countries of the Organisation for Economic Co-operation and Development. 3. Disclose climate-related information in accordance with the "IFRS S1/S2 Climate-related Disclosures" requirements. 4. Continue to enhance the methodology for climate risk scenario analysis.	The Company's Board of Directors serves as the highest governance body for climate-related matters and is responsible for overseeing and managing climate-related risks and opportunities, as well as promoting the Group's overall climate strategy and policies. Reporting to the Board, the Sustainability and Ethical Corporate Management Committee and the Risk Management Committee collaborate to jointly oversee climate change-related initiatives across the organization. The Company also carries out the climate risk management responsibilities of each line of defense in accordance with the Three Lines of Defense framework for climate risk management, and regularly reports the relevant implementation performance to the Sustainability Committee, the Risk Management Committee, and the Board of Directors.

Note1: The revenue contribution from the relevant businesses is expected to continue growing.

Note2: Investment and financing targets for which revenue or power generation from the relevant industries accounts for more than 30%, and which have not proposed a low-carbon transition plan aligned with the goals of the Paris Agreement.

With respect to the material topics mentioned above, if any stakeholder identifies negative impacts or adverse effects arising from the Company's operating activities, they may report or file a complaint at any time through the Company's whistleblower reporting channels (such as the whistleblower hotline (+886-2-7702-0906), or the whistleblower email address (mailto:whistleblower.kgisec@kgi.com)). Upon receiving such reports, the Company will initiate an investigation mechanism and actively respond to stakeholders' concerns. For detailed information on the whistleblower system, please refer to Section 2.1.5 of this Report.

CHAPTER 02

Sustainable Governance

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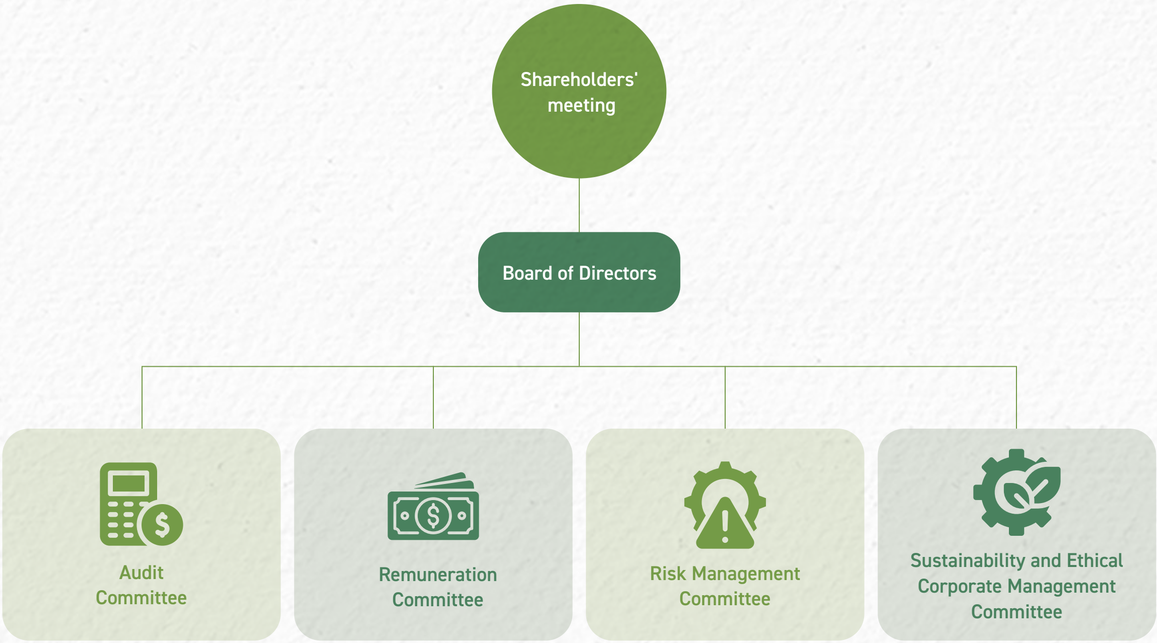
2.1 Corporate Governance and Ethical Corporate Management

2.1.1 Governance Structure

To enhance corporate governance effectiveness, uphold operational transparency, and focus on long-term development strategies while pursuing sustainable operations, the Company regards the Board of Directors, the highest governance body, as the cornerstone of its corporate governance framework. Under a well-established governance framework, the governing bodies are able to fully understand the Company's operating conditions and development objectives, and respond promptly to market demands and economic changes. To strengthen the functions of the Board of Directors and enhance decision-making efficiency, the Board has established functional committees. The composition and responsibilities of each committee are shown in the table below:

	Audit Committee	Remuneration Committee	Risk Management Committee	Sustainability and Ethical Committee
Committee Member	Composed of three independent directors.	Composed of three independent directors.	Composed of four directors (including three independent directors), with an independent director serving as the convener.	Composed of four directors, including two directors and two independent directors. The Chairman serves as an ex officio member and acts as the Chairperson of the Committee and the meeting chair.
Responsibilities	Exercise the powers originally vested in supervisors under the law and oversee the fair presentation of financial statements; the effective implementation of internal control systems; regulatory compliance; risk management; as well as the appointment (and dismissal), independence, and performance of the attesting certified public accountants.	Review and make recommendations on the policies, systems, standards, and structure for the performance evaluation and remuneration of directors and managers.	Integrate, plan, oversee, and manage the various risks of the Company.	Oversee the Company's implementation of sustainable development objectives, strengthen sustainability governance, enhance ethical corporate management, and develop mitigation and adaptation measures related to climate risks and opportunities.
Operations	A total of 12 meetings were convened in 2025, with an average attendance rate of 100.00% for committee members.	A total of 7 meetings were convened in 2025, with an average attendance rate of 100.00% for committee members.	A total of 6 meetings were convened in 2025, with an average attendance rate of 94.45% for committee members.	A total of 5 meetings were convened in 2025, with an average attendance rate of 100.00% for committee members.



Audit Committee Oversight of Financial Conditions

The Audit Committee or the Board of Directors convenes at least once each quarter. The CFO is invited to attend and report on the Company's financial condition and profitability, enabling the independent directors to gain a thorough understanding of the Company's business operations and to engage in discussions and communication with the CFO. When the Audit Committee reviews matters related to financial statements, [Note] the CPAs are invited to attend and answer inquiries. A mechanism is also in place to arrange separate communication sessions between the certified public accountants and the independent directors, ensuring that both parties can communicate fully and effectively. During periods when the Board of Directors is not in session, if independent directors have any questions regarding the Company's financial condition, they may also discuss and communicate with the CFO or the CPAs.

Note: The Company submitted its 2025 Q1 consolidated financial statements on May 9, 2025, which were approved by the Audit Committee and resolved by the Board of Directors; submitted its semi-annual 2025 consolidated financial statements on August 15, 2025, which were approved by the Audit Committee and resolved by the Board of Directors; and submitted its 2025 Q3 consolidated financial statements on November 7, 2025, which were approved by the Audit Committee and resolved by the Board of Directors. Subsequently, on March 6, 2026, the Company submitted its annual consolidated financial statements for 2025 for approval by the Audit Committee and for resolution by the Board of Directors.

2.1.2 Board Structure

Board Election Mechanism

The structure of the Company's Board of Directors is determined based on the scale of the Company's operations and development, as well as the shareholding status of its principal shareholder, and is appropriately adjusted in consideration of practical operational needs. As the Company is a sole-shareholder company, pursuant to the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and the Company's "Articles of Incorporation," the Company shall have seven to eleven directors, of whom no fewer than three shall be independent directors, and the number of independent directors shall not be less than one-fifth of the total board seats. Directors are designated by KGI Financial Holding Co., Ltd., which holds all of the Company's issued shares, from among persons with legal capacity. In addition, pursuant to the Company's "Corporate Governance Best Practice Principles," to promote Board diversity and strengthen its functions, consideration shall be given to the directors' fundamental attributes (such as gender, age, nationality, and cultural background), as well as their professional backgrounds, expertise, professional skills, and industry experience. The current Board of Directors assumed office on June 23, 2025, and consists of nine members, including five female directors. The Board also includes three independent directors, representing one-third of the total number of directors.

Professional Background and Diversity of the Board

With respect to Board composition, the Company advocates and respects a Board diversity policy to strengthen corporate governance and promote the sound development of the Board's composition and structure. In addition to ensuring that directors concurrently serving as managers do not exceed one-third of the total Board seats, the Company formulates appropriate diversity policies based on its operational needs, business model, and development requirements. Directors are selected to provide complementary expertise across different industries, with emphasis placed on their fundamental attributes and values, including gender, age, nationality, and cultural background, as well as industry experience (such as legal, accounting, industry, finance, marketing, or technology expertise), professional skills, and industry experience. Board members are also expected to possess capabilities in business judgment, operational management, leadership and decision-making, and crisis management. The composition of the Board of Directors is determined based on, but not limited to, the criteria under the two dimensions described above. The implementation of Board diversity is presented in the table below:

Job Title	Name	Core Diversity Items																Functional Committee Members			
		Basic Requirements						Industry Experience				Professional Knowledge/Skills									
		Nationality	Gender	Age		Tenure as Independent Director of the Company		Financial Holding Company	Securities/Insurance	Commercial Bank	Others	Execution and Strategic Planning	Risk Management	Finance/Financial	Corporate Governance	Information Security/Information Technology	International Experience	Audit Committee	Remuneration Committee	Risk Management Committee	Sustainability and Ethical Corporate Management Committee
				Aged 60 and under (incl.)	Aged 61 and above (incl.)	Under 3 years	6–9 years														
Chairman	Daw-Yi Hsu	R.O.C.	Male		◆	-	-	◆	◆	◆	◆	◆	◆	◆	◆		◆				◆
Vice Chairman	Falco Mi	R.O.C.	Male		◆	-	-		◆	◆	◆	◆	◆	◆	◆		◆				◆
Director	Yu-Ling Huang	R.O.C.	Female		◆	-	-		◆		◆	◆	◆	◆	◆		◆				
Director	Sherie Chiu	R.O.C.	Female		◆	-	-	◆	◆	◆	◆	◆	◆	◆	◆		◆			◆	
Director	Jenny Huang	R.O.C.	Female	◆		-	-	◆	◆	◆	◆	◆	◆	◆	◆		◆				
Director	Yen-Ling Shen	R.O.C.	Female	◆		-	-		◆		◆	◆	◆		◆		◆				
Independent Director	Kai-Chieh Chia	R.O.C.	Male		◆		◆		◆		◆	◆	◆		◆	◆	◆	◆	◆	◆	◆
Independent Director	Tzu-Jung Kuo	R.O.C.	Female		◆	◆			◆		◆	◆	◆	◆	◆		◆	◆	◆	◆	◆
Independent Director	Dean Tseng	R.O.C.	Male		◆	◆			◆		◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	

Pursuant to the Company's "Corporate Governance Best Practice Principles," the Board of Directors as a whole should possess the following competencies

Operational Judgment Capabilities	Accounting and Financial Analysis Capabilities	Business Management Capabilities
Crisis Management Capabilities	Professional Knowledge of Securities and Derivative Financial Products	International Market Perspective
Leadership Capabilities	Decision-making Capabilities	Risk Management Knowledge and Capabilities

To enhance the Board's understanding of information security developments and substantively incorporate information security risks into business decision-making, the Company has appointed independent directors Kai-Chieh Chia [Note 1] and Dean Tseng [Note 2], both of whom possess professional information security expertise, to serve on the Board and participate in policy decision-making. The remaining Board members have professional backgrounds spanning execution and strategic planning, risk management, finance, corporate governance, and international experience. They also have extensive experience in banking, securities, insurance, and other industries, which helps support the Board's decision-making process and strengthens internal oversight and management. For the educational background, professional experience, and professional qualifications of the Board members, please refer to the Company's 2025 Annual Report for the Shareholders' Meeting. In addition to possessing professional backgrounds and practical experience, the Company also places great importance on gender equality. The current Board of Directors includes a total of five female directors.

Note1: Independent Director Kai-Chieh Chia has served as the Director of the Cyber Security Center of Excellence (CS-COE) at Soochow University since November 2020 and as the Chairman of the Cyber Security Committee of the Global Logistics & Commerce Council of Taiwan since June 2021. He collaborates with enterprises to promote the application of big data analysis in fields such as digital marketing, smart city, smart logistics, and predictive maintenance. Furthermore, he has frequently engaged in information security research, utilizing anomaly data analysis to detect hacker activities. He also spearheaded the establishment of the CS-COE at Soochow University and the setting up of its Security Operations Center (SOC). These initiatives aim to provide policy recommendations based on international trends in information and network security, introduce advanced information security concepts and technologies, cultivate professional talent, and offer information security consulting services to businesses. He possesses an extensive professional background in the field of information security.

Note2: Independent Director Dean Tseng possesses more than 30 years of professional expertise and practical experience in information security, information technology, and digital transformation within the financial industry. His experience includes assisting more than ten financial institutions across Taiwan, China, and Hong Kong in the planning and implementation of enterprise-level information systems, effectively enhancing corporate information capabilities, technology enablement, and returns on information technology investments. He has also conducted information security assessments, evaluations, and planning recommendations to strengthen information security protection and regulatory compliance, safeguard client assets, and reduce operational risks and potential losses. In addition, he has assisted numerous financial institutions across Taiwan, China, and Hong Kong in the evaluation, planning, and implementation of digital transformation, technology governance, data governance, and data value maximization initiatives, effectively realizing digital transformation and the capitalization of enterprise data, thereby enhancing market competitiveness. He also has extensive experience in planning and implementing core transformation and architectural transformation projects, successfully launching such initiatives, effectively ensuring business continuity, upgrading enterprise technology capabilities, driving business innovation, and enhancing the customer experience.

Board Recusal for Conflicts of Interest

The Company's "Rules of Procedure for Board Meetings" expressly stipulate that when a director has an interest in a matter submitted for discussion at a Board meeting, whether on the director's own behalf or on behalf of the juristic person he or she represents, the director shall explain the material aspects of such interest at the relevant Board meeting. Where there is a potential conflict with the interests of the Company, the director shall neither participate in the discussion nor vote on the matter, shall recuse himself or herself during the discussion and voting process, and may not exercise voting rights on behalf of another director by proxy.

Where a director's spouse, a blood relative within the second degree of kinship, or a company having a controlling or subordinate relationship with the director has an interest in a matter submitted for discussion at a Board meeting as described in the preceding paragraph, the director shall be deemed to have a personal interest in that matter. No individual concurrently serves as the Company's Chairperson, President, or any other equivalent position (such as the highest-ranking manager), and none of these individuals are spouses or relatives within the first degree of kinship with one another. In addition, none of the Company's directors and independent directors are spouses or relatives within the second degree of kinship with one another. Accordingly, there are no circumstances as prescribed under Paragraphs 3 and 4 of Article 26-3 of the "Securities and Exchange Act." In addition, shareholders, directors, or other parties with a direct interest may request that a director recuse himself or herself from deliberating on a specific proposal.

In addition, the Company has established the "Guidelines for Handling Non-credit Transactions under Article 45 of the Financial Holding Company Act" and the "Related-Party Transaction Guidelines" to govern transactions between the Company and related parties. These regulations expressly stipulate that transactions with related parties shall not be conducted on terms more favorable than those offered to other comparable counterparties and may only be carried out after obtaining approval through the prescribed procedures and authorization levels, thereby preventing any improper benefit from being conferred upon related parties.

Continuing Education for the Board

To strengthen directors' professional competencies, the Company selects professional training topics based on external corporate governance trends, business development needs, and director's professional capabilities. These topics cover areas related to corporate governance, including finance, risk management (including information security), business operations, commerce, accounting, legal affairs, anti-money laundering and counter-terrorism financing, sustainability (ESG), and the Fair Customer Treatment Principles, as well as topics concerning internal control systems and financial reporting responsibilities. The Company recommends and enrolls directors in continuing education programs to ensure compliance with the relevant requirements of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of Securities Firms and the Continuing Education Roadmap." Such programs also include information security seminars for directors. All directors participated in a seminar discussing the topic of "The Benefits and Impacts of Emerging Technologies on Digital Innovation in the Financial Industry." In 2025, the directors completed a total of 163 hours of continuing education, exceeding the number of hours recommended by applicable regulations. For details of the directors' continuing education activities, please refer to the Company's 2025 Annual Report for the Shareholders' Meeting.

Board Education, Training, and Continuing Education Results

Continuing Education	Course title	Training Hours	Total training hours
Information Security	Board Information Security Education and Training	1	9
Information Security	2025 Information Security Continuing Education Courses for Directors and Senior Management Personnel	2	2
Anti-Money Laundering and Countering-Terrorism Financing	Domestic and International Regulations, Risk Trends, and Typologies Related to Anti-Money Laundering and Counter-Terrorism Financing	3	3
Anti-Money Laundering and Countering-Terrorism Financing	Digital Anti-Money Laundering Strategies in the Post-Pandemic Era E-Course	2	2
Anti-Money Laundering and Countering-Terrorism Financing	Corporate Governance Seminar (Professional Series) – Board Responsibilities Under Anti-Money Laundering and Counter-Terrorism Financing Regulations	1	3
Anti-Money Laundering and Countering-Terrorism Financing	Seminar on International Trends and Practices in Anti-Money Laundering and Counter-Terrorism Financing	1	3

For detailed information on the Board's education and training activities, please refer to the Company's 2025 Annual Report for the Shareholders' Meeting.

2.1.3 Board Performance Evaluation

In 2025, KGI Securities convened a total of 14 Board meetings. The actual attendance rate of each director exceeded 85%, with an average attendance rate of 98.35% across all directors. In addition, at least two independent directors attended each Board meeting in person. For detailed attendance records, please refer to the 2025 Annual Report for the Shareholders' Meeting.

The principal reports, communications, and discussion matters addressed at the Board meetings held in 2025 are as follows:

Sales Unit	Communication Frequency	Key Matters Communicated to the Board
Finance	Board Meeting Session	Financial condition and operating performance of the Company
	Annually	The Company's parent company only financial statements and consolidated financial statements, final accounts report, and earnings distribution proposal.
	Quarterly	Investment position review and evaluation reports
	Occasionally	Major investment decisions of the Company
Legal compliance, internal audit, internal control	Annually	Results of the annual regulatory compliance assessment and internal audit assessment conducted by KGI Financial Holding Group on the Company
	Semi-annually	Legal compliance report and anti-money laundering and counter-terrorism financing report
	Annually	Legal compliance risk management report, enterprise-wide money laundering and terrorism financing risk assessment report, and anti-money laundering and counter-terrorism financing risk mitigation plan
	Occasionally	Major revisions or updates to the Company's policies and regulations
		If the Company is involved in any material violation of laws or regulations, or is subject to a rating downgrade by the competent authority, the matter will first be reported to the directors and subsequently submitted to the Board of Directors and the Audit Committee.
Risk Management	Quarterly	Risk Management Report
	Quarterly	The minutes of the Risk Management Committee meetings shall be submitted to the Board of Directors for review at least on a quarterly basis.
Human Resource	Annually	Distribution of employee and director remuneration.
	Occasionally	Major personnel changes (including appointments, disciplinary actions, transfers, etc.) and the appointment of external consultants.
Information Security	Annually	Information security policy implementation and resource allocation assessment report.
	Occasionally	Information security policy, information security budget planning, information and communication security incident report, and report on enhanced measures for defending against recent hacker attacks.
Sustainability and Ethical Corporate Management Committee	Quarterly	Implementation results of annual objectives, strategic directions, projects, and activity plans for sustainable development and ethical corporate management.
	Quarterly	The minutes of the Sustainability and Ethical Corporate Management Committee meetings shall be submitted to the Board of Directors for review at least on a quarterly basis.

To implement corporate governance and enhance Board effectiveness, the Company has established the "Board Performance Evaluation Guidelines" to set performance objectives and improve the efficiency of Board operations. The Company conducts annual internal performance evaluations of the Board as a whole, individual directors, and functional committees. In addition, in alignment with KGI Financial Holding's "Five Sustainability Strategies":"Building Sustainable Governance," "Smart Sustainable Finance," "Elite Sustainable Talent," "Low-Carbon and Sustainable Environment," and "Creating a Sustainable Society Together," the Company has incorporated "Participation in Sustainable Development (ESG)" as an evaluation criterion for Board operational performance, encouraging directors to lead by example and promote this spirit throughout the organization.

Based on practical operations and business needs, the Company regularly reviews and establishes performance evaluation criteria suitable for its implementation. In 2025, the following revisions were made to the evaluation indicators for the Board's self-assessment of operational performance and the self-assessment of individual Board members' performance:

I	To ensure that the Board performance self-assessment process promptly incorporates any material regulatory sanctions imposed during the year into the evaluation, the assessment items were revised, and the scoring criteria were further clarified to enhance transparency and consistency.
II	Clearly define the requirement for directors to proactively and promptly report all relevant rules, regulations, and related information to the Company, thereby providing greater clarity and facilitating compliance by Board members。
III	In accordance with applicable regulations, the required annual continuing education hours for Board members are expressly stipulated, and the scope of continuing education courses is highlighted and enumerated to provide greater clarity and facilitate reference and compliance by Board members.

The results of the 2025 internal Board performance evaluation were submitted to and acknowledged by the Company's 8th Meeting of the 14th Board of Directors on February 4, 2026. A summary of the self-assessment results for Board operations and individual Board members is presented below:

I Board Operational Performance Self-Assessment:

The Board performance evaluation indicators comprise six major dimensions and a total of 45 indicators. The average score for each dimension ranged from 4.96 to 5.00 [Note], demonstrating that the Board has effectively fulfilled its responsibilities in guiding and overseeing the Company's strategy, major business operations, and risk management. The Board has also established appropriate internal control systems and actively participated in sustainable development (ESG) initiatives. Overall, the Board's operations were sound and met the requirements of corporate governance

Six Major Aspects of Self-Assessment	Assessment Items	Average Score
A. Level of participation in the Company's operations	10	4.98
B. Enhancement of the quality of Board decision-making	11	4.96
C. Board composition and structure	8	5.00
D. Director election and continuous education	6	5.00
E. Internal control	7	5.00
F. Participation in Environmental, Social, and Governance (ESG)	3	5.00

Note: The scoring criteria for each indicator are classified into five levels, from highest to lowest score: Excellent (5), Good (4), Satisfactory (3), Fair (2), and Needs Improvement (1). The evaluation results are based on the average score, and the same scoring standard applies to the self-assessments of individual Board members set out below.

II Board Member Performance Self-Assessment

The Board member performance evaluation indicators comprise six major dimensions and a total of 25 indicators. The average score for each dimension ranged from 4.92 to 5.00 (with 5.00 being the highest possible score), indicating that directors gave positive evaluations regarding the efficiency and effectiveness of the operation of each indicator.

Six Major Aspects of Self-Assessment	Assessment Items	Average Score
A. Understanding of the Company's objectives and missions	4	4.97
B. Understanding of directors' responsibilities	5	5.00
C. Level of participation in the Company's operations	8	4.92
D. Internal relationship management and communication	3	4.96
E. Director professionalism and continuous education	2	4.94
F. Internal control	3	5.00

To implement corporate governance and sustainable operations, the Company has adopted the "Implementation Guidelines for the Accountability System on Material Issues," which were approved by the Board of Directors, with reference to Article 11 of the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms" and Article 37-2 of the "Corporate Governance Best Practice Principles for Securities Firms." The Guidelines expressly stipulate that the Board of Directors shall conduct a thorough review of the appointment of managers and oversee the maintenance of their fitness and qualification requirements. In addition, with respect to material issues concerning information security protection, fair customer treatment, and regulatory compliance, the Company has established an accountability system based on the management cycle of "Plan, Do, Check, and Act," including designating a responsible department to coordinate and liaise with relevant departments and oversee the implementation of various tasks, ensuring a clear division of responsibilities and hierarchical accountability, requiring senior management to supervise business departments, and periodically evaluating overall implementation effectiveness. The evaluation results are incorporated into the performance assessment indicators of the relevant business departments and personnel. Furthermore, the results of Board performance evaluations are used as a reference for the remuneration of individual directors and for their re-nomination by KGI Financial Holding. Relevant implementation status and evaluation results are disclosed not only in this Report but also on the Company's website and in the Annual Report for the Shareholders' Meeting.

To enhance the objectivity and credibility of Board performance evaluations and strengthen Board effectiveness through independent external reviews, the Company amended its Board Performance Evaluation Guidelines in December 2025 to require an external Board performance evaluation at least once every three years. The evaluation covers key aspects of Board operations, including composition, oversight, delegation and risk management, communication, and continuous improvement, with results to be disclosed through the Company's website, annual report, or sustainability report.

In accordance with the Guidelines, the Company launched its first external Board performance evaluation and appointed the Chinese Corporate Governance Association (CCGA) as the independent evaluator. The on-site assessment was completed on April 23, 2026, and the Company will continue to enhance its Board governance effectiveness based on the evaluation results and recommendations.

2.1.4 Remuneration Policy for Governance Bodies and Senior Management

Directors' Remuneration Policies

The remuneration of the Company's directors includes director remuneration, monthly remuneration, and attendance fees. Pursuant to the Company's "Articles of Incorporation," when the Company generates profits in a given year, no more than 1% of such profits shall be allocated as director remuneration. The allocation ratio and amount are subject to approval by the Remuneration Committee and the Board of Directors, and are distributed after being reported to the Annual General Shareholders' Meeting.

The Company's directors receive fixed monthly remuneration. Directors who concurrently serve on functional committees under the Board of Directors are additionally paid monthly remuneration for such committee positions. Directors who attend meetings of the Board of Directors or its functional committees in person are entitled to receive attendance fees on a per-meeting basis. However, where a director of the Company concurrently serves as a manager or employee of KGI Financial Holding or any of its subsidiaries, such director shall not receive director remuneration, functional committee remuneration, or attendance fees for functional committee meetings.

Senior Management Remuneration Policies

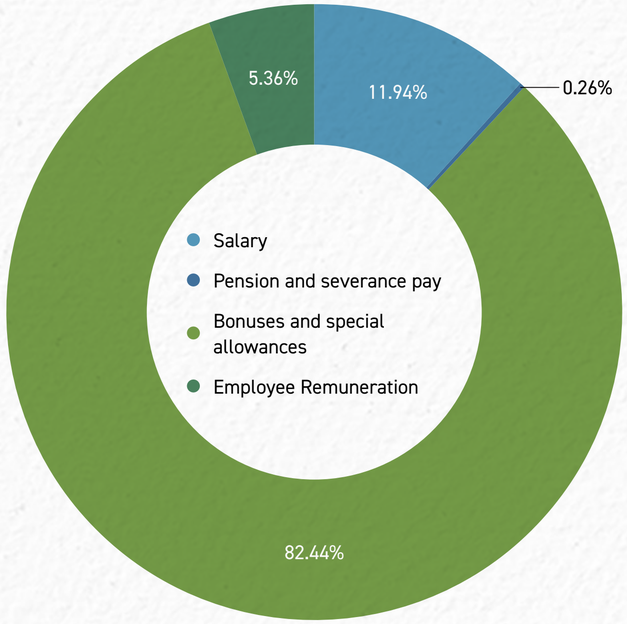
The remuneration paid by the Company to the President and managers (collectively referred to as the "managers" below) consists of an annual salary and variable bonuses. Variable bonuses are determined based on the Company's operating results and individual performance. In addition to financial indicators, performance evaluation also incorporates important management indicators necessary for the Company's long-term development, including sustainable management initiatives and talent development programs. The performance evaluation indicators for managers include:

Indicator Category	Indicator Item	Percentage
Financial Indicators	Including business performance and cost control	60%–80%
Management Indicators	Including corporate sustainability management indicators such as legal compliance, information security, risk management, fair customer treatment, talent development, and sustainability-related matters	15%–35%
Special Indicators	Where there are special contributions or material impact events, such factors shall be taken into consideration in performance evaluations and remuneration determinations.	5%

To ensure that sustainability governance is implemented through a top-down approach, the Company has incorporated sustainability-related matters into the "Management Indicators" category of the performance evaluation metrics for senior management. This ensures that senior management emphasizes sustainable operations in daily business activities and encourages all employees to work toward the Company's sustainability objectives. For the weighting and evaluation methods of economic, environmental, and human rights-related performance indicators within sustainability matters, please refer to the table below:

Indicator Category	Sustainability Performance Indicators	Measurement Method	Weighting of Indicators
Management Indicators	Economic	Incorporate various sustainability-related matters into the performance evaluation indicators for senior management.	5–10%
	Environment		
	Human Rights		

The remuneration composition of the President in 2025 is shown in the table below:



Total	100.00%

Among the President's total remuneration, bonuses, special allowance, and employee remuneration are variable compensation, accounting for 87.8% of the President's total remuneration.

The remuneration of the Company's managers is determined based on a comprehensive assessment of their job responsibilities and work experience, with reference to factors such as profitability, market salary adjustments, price fluctuations, future risks, and other internal and external considerations. The remuneration is designed to fully reflect job performance and remain competitive in the market. The variable bonus component of the remuneration for the Company's managers is subject to a deferral mechanism, under which actual remuneration is closely linked to the Company's performance. If any material violations of laws or regulations or other relevant events occur during the deferral period, the prescribed conditions shall be deemed not to have been satisfied, and the deferred variable bonus will not be paid. This mechanism is designed to ensure that managers comply with applicable laws and regulations and uphold the principles of corporate governance.

2.1.5 Ethical Corporate Management and Legal Compliance

Ethical Corporate Management

To establish a corporate culture of ethical corporate management, KGI Securities not only complies with KGI Financial Holding's "Ethical Corporate Management Best Practice Principles," but has also established Board-level policies, including the "Corporate Governance Best Practice Principles," the "Code of Ethical Conduct," the "Guidelines for Handling Reports of Illegal, Unethical, or Dishonest Conduct," and the "Guidelines Governing Concurrent Positions and Concurrent Duties of Responsible Persons and Business Personnel." These policies require directors, independent directors, and senior management to provide declarations of compliance with the ethical corporate management policy. In addition, the Company requires employees, as part of their employment conditions, to comply with the ethical corporate management policy in order to implement the principles of integrity, transparency, and accountability in ethical corporate management and to support sound corporate development. In Q2 2023, the Company's Board of Directors approved the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct," and the "Organizational Charter of the Ethical Corporate Management Committee" to establish a comprehensive framework for the Company's ethical corporate management governance. In response to organizational restructuring, the Board further approved the "Organizational Charter of the Sustainability and Ethical Corporate Management Committee" in Q2 2025, integrating the Sustainability Committee and the Ethical Corporate Management Committee. In 2025, the Ethical Corporate Management Committee convened one meeting, and the Sustainability and Ethical Corporate Management Committee convened two meetings.

In addition, at the President level, the Company has established policies such as the "Employee Code of Conduct" and the "Guidelines for Managing Concurrent Positions and Concurrent Duties of Responsible Persons and Business Personnel," which expressly stipulate that directors, managers, and employees of the Company shall conduct Company affairs with honesty and ethical behavior and make every effort to avoid conflicts of interest.

With respect to the assessment mechanism and internal implementation of ethical corporate management, the Company has conducted a 2025 dishonest conduct risk assessment for all departments and branches of KGI Securities in accordance with the regulations and implementation procedures established by KGI Financial Holding. The assessment covered items including bribery and acceptance of bribes, provision of illegal political contributions, improper charitable donations or sponsorships, offering or accepting unreasonable gifts, entertainment, or other improper benefits, infringement of trade secrets, trademark rights, patent rights, copyrights, and other intellectual property rights, disclosure of or inquiries into confidential company information for the purpose of insider trading, engagement in unfair competition practices, and actions that impair the rights and interests of stakeholders. Based on the assessment results, the residual risk of dishonest conduct for the Company was determined to be low.

To ensure that the Company's directors, senior management, and all employees fully understand and possess comprehensive knowledge of ethical corporate management, the Company will continue to promote ethical corporate management training. The Company requires all new employees to complete this training within three months of their employment date and will track completion through its internal systems to ensure that all employees complete refresher training annually. In 2025, the Company conducted the "Digital Training and Awareness Program on Ethical Corporate Management," covering topics including the principles and importance of ethical corporate management, international standards and trends, domestic regulatory requirements, the Company's ethical corporate management policies, whistleblower system requirements, and case studies. A total of six directors of the Company completed the training. The required number of participants among senior management (including the Chairman, Vice Chairman, and President) and general employees was 3,308, and all 3,308 participants completed the training, resulting in a completion rate of 100%.

In 2025, the Company was not involved in any cases related to fraud, market manipulation, insider trading, corruption, violations of antitrust or fair trade laws, or other similar matters. In addition, no employees were subject to disciplinary action for violations of ethical corporate management requirements. With respect to business partners, the Company completed reviews and assessments of 106 suppliers in 2025 (including 28 newly added suppliers and existing major suppliers), achieving a 100% assessment rate and confirming that no business relationships were terminated due to violations of ethical corporate management principles.

Other Business Commitments or Policies

In addition to its commitment to ethical corporate management, the Company has also issued corresponding commitments regarding sustainable development, human rights, fair customer treatment, and supplier management, thereby strengthening its efforts to advance sustainable development and fulfill its corporate social responsibility.

Commitment Name	Public Information	Approval Level	Applied to economic activities and business relationships	Commitment communication channel	Responsible units and their functions	Whistleblowing and feedback mechanism	Remedial measures for negative impacts
Principles for Treating Cutomers Fairly	Fair Customer Treatment Section on the Company's Official Website	Board of the Company	The Company has established ten Fair Customer Treatment Principles, including conducting business with integrity, ensuring the accuracy of advertisements and solicitations, respecting the diverse needs of financial consumers, ensuring product suitability, and fulfilling disclosure and risk notification obligations. The Company has also established the Fair Customer Treatment Committee, with the Board of Directors serving as the highest supervisory body and the President acting as the convener. Through a top-down approach, the Company promotes the Fair Customer Treatment Principles, regularly reviews the effectiveness of related measures and improvement actions, and diligently fulfills its fair customer treatment obligations.	The Company publicly discloses its commitment statements and related policies on its official website to enhance information transparency, enabling stakeholders to jointly monitor the implementation of the Company's commitments and the effectiveness of its policy initiatives. The Company also provides customer service complaint channels, including telephone, written correspondence, and email, to facilitate the receipt of suggestions and feedback from all parties. The handling results of each case are tracked by designated personnel, with case closure records maintained and regularly reported to the Board of Directors.	The Fair Customer Treatment Committee is responsible for planning and implementing the Fair Customer Treatment Principles and regularly reports the implementation results to the Board of Directors. The Committee is convened by the President, with the Strategy and Planning Department designated as the responsible department and its head responsible for the planning, implementation, and oversight of these principles. The Company adopts a cross-functional approach to implementing its fair customer treatment policy. The Internal Audit function is responsible for evaluating the integrity of internal controls and conducting internal audit activities related to the Fair Customer Treatment Principles. The Legal Compliance function, together with the Human Resources function, regularly conducts training programs to ensure the internal implementation of the Fair Customer Treatment Principles. In addition, the Legal Affairs Department is responsible for reviewing the contractual documents related to the Company's financial products and services to ensure that the contractual terms do not violate the principles of fairness and good faith.	Any person who becomes aware of conduct by an employee of the Company or its subsidiaries that violates applicable laws or regulations, the Company's "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Employee Code of Conduct," or other relevant policies may file a report. Whistleblowers may submit reports through channels including telephone, facsimile, written correspondence, or email. The Company's whistleblowing channels are as follows: Whistleblower hotline: 02-7702-0906 Fax: 02-7702-0907 Whistleblowing Email: whistleblower.kgisec@kgi.com Postal Mailbox: P.O. Box No. 223, Taipei Beian Post Office, Taipei 10499, Taiwan (Please send by registered mail.) Where a reported case is verified to be substantiated and involves material circumstances, the Company may, in addition to handling the matter in accordance with applicable laws, regulations, or relevant Company policies, provide appropriate rewards to the whistleblower. For details on the complete reporting mechanism, please refer to the section on the Whistleblower System.	The Company shall strengthen internal awareness of the Fair Customer Treatment Principles and link compliance with such principles to performance evaluations. Employees are encouraged to report any suspected or actual violations of these principles or related regulations to the responsible person, the head of the internal audit function, or other appropriate personnel. Where an investigation confirms that a violation has occurred, disciplinary actions shall be imposed in accordance with the Company's relevant reward and disciplinary policies.

Commitment Name	Public Information	Approval Level	Applied to economic activities and business relationships	Commitment communication channel	Responsible units and their functions	Whistleblowing and feedback mechanism	Remedial measures for negative impacts
Human Rights Policy	"Human Rights Policy of KGI Securities Co., Ltd."	Board of the Company	The Company's human rights commitments include "Non-Discrimination, No Bullying, and No Harassment," "No Forced Labor," "Freedom of Association and Effective Labor-Management Communication," "A Healthy and Safe Workplace," "Work-Life Balance," and "Information Security and Privacy Protection." The Company regularly conducts training programs to enhance human rights awareness among all employees and is committed to providing a safe and healthy working environment, as well as employee welfare programs that support physical and mental well-being. The Company has also established a comprehensive and robust grievance mechanism to facilitate effective communication and feedback between employees and management.	The Company publicly discloses its commitment statements and related policies on its official website to enhance information transparency, enabling stakeholders to jointly monitor the implementation of the Company's commitments and the effectiveness of its policy initiatives. The Company also provides customer service complaint channels, including telephone, written correspondence, and email, to facilitate the receipt of suggestions and feedback from all parties. The handling results of each case are tracked by designated personnel, with case closure records maintained and regularly reported to the Board of Directors.	Human Resources Department, Occupational Safety and Health Unit of the Administration Department, and Occupational Health Nurse: Assist in promoting employee care initiatives and welfare policies, receiving employee feedback, planning comprehensive and diverse career development programs, creating a safe and comfortable working environment, and safeguarding employees' rights and interests.	Any person who becomes aware of conduct by an employee of the Company or its subsidiaries that violates applicable laws or regulations, the Company's "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Employee Code of Conduct," or other relevant policies may file a report. Whistleblowers may submit reports through channels including telephone, facsimile, written correspondence, or email. The Company's whistleblowing channels are as follows: Whistleblower hotline: 02-7702-0906 Fax: 02-7702-0907 Whistleblowing Email: whistleblower.kgisec@kgi.com Postal Mailbox: P.O. Box No. 223, Taipei Beian Post Office, Taipei 10499, Taiwan (Please send by registered mail.) Where a reported case is verified to be substantiated and involves material circumstances, the Company may, in addition to handling the matter in accordance with applicable laws, regulations, or relevant Company policies, provide appropriate rewards to the whistleblower. For details on the complete reporting mechanism, please refer to the section on the Whistleblower System.	The Company follows the Human Rights Policy established by the KGI Financial Holding Group. Negative human rights impacts relating to employees are also addressed through the occupational safety and health management mechanism. Through risk identification, this mechanism provides corresponding mitigation measures. With respect to human rights relating to personal data protection, the Company regularly conducts personal data privacy impact analyses and risk assessments and has established relevant personal data protection policies and guidelines. If any employee violates the Company's personal data protection policy, the matter shall be handled in accordance with the Company's disciplinary regulations. If a customer's privacy rights are infringed, the customer may exercise rights such as making inquiries, requesting the cessation of data collection, or requesting restrictions on data processing by contacting the Group via email (ir@kgi.com) or telephone ((02) 2763-8800), or KGI Securities via email (service1@kgi.com) or telephone ((02) 2389-0088; 0800-085-005). The Company has established the "Guidelines for Handling Reports of Illegal, Unethical, or Dishonest Conduct," under which any person who becomes aware of conduct by a Company employee that violates applicable laws or regulations, the Company's "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Employee Code of Conduct," or other relevant policies may file a report. In addition to regularly reporting the receipt and investigation status of whistleblowing cases to the Board of Directors and the Audit Committee, the Legal Compliance Department ensures that the implementation of the whistleblowing system is included as one of the review items in the internal audit function.

Commitment Name	Public Information	Approval Level	Applied to economic activities and business relationships	Commitment communication channel	Responsible units and their functions	Whistleblowing and feedback mechanism	Remedial measures for negative impacts
Sustainable Development Best Practice Principles	The Company's Website	Board of the Company	The Company has established the "Sustainable Development Best Practice Principles" and, under the Board governance structure, has established the "Sustainability and Ethical Corporate Management Committee" to promote sound corporate governance, sustainable environmental development, social well-being, and enhanced disclosure of sustainability-related information. The Committee also seeks to foster a balance among economic, social, and environmental interests and advance sustainable development while fulfilling the Company's corporate social responsibility.	The Company publicly discloses its commitment statements and related policies on its official website to enhance information transparency, enabling stakeholders to jointly monitor the implementation of the Company's commitments and the effectiveness of its policy initiatives. The Company also provides customer service complaint channels, including telephone, written correspondence, and email, to facilitate the receipt of suggestions and feedback from all parties. The handling results of each case are tracked by designated personnel, with case closure records maintained and regularly reported to the Board of Directors.	The Sustainability and Ethical Corporate Management Committee shall formulate annual implementation plans and action programs to promote internal corporate governance, external economic and social development, and the balanced, sustainable development of the environment and ecosystem. The Committee shall also regularly report implementation results to the Board of Directors on an annual basis and conduct performance reviews and implement improvement measures.	Any person who becomes aware of conduct by an employee of the Company or its subsidiaries that violates applicable laws or regulations, the Company's "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Employee Code of Conduct," or other relevant policies may file a report. Whistleblowers may submit reports through channels including telephone, facsimile, written correspondence, or email. The Company's whistleblowing channels are as follows: Whistleblower hotline: 02-7702-0906 Fax: 02-7702-0907 Whistleblowing Email: whistleblower.kgisec@kgi.com Postal Mailbox: P.O. Box No. 223, Taipei Beian Post Office, Taipei 10499, Taiwan (Please send by registered mail.) Where a reported case is verified to be substantiated and involves material circumstances, the Company may, in addition to handling the matter in accordance with applicable laws, regulations, or relevant Company policies, provide appropriate rewards to the whistleblower. For details on the complete reporting mechanism, please refer to the section on the Whistleblower System.	The Company continues to incorporate sustainability indicators into the performance evaluation metrics for senior management while promoting and strengthening sustainability awareness throughout the organization. Relevant responsibilities are assigned to the working groups under the Sustainability and Ethical Corporate Management Committee, which are required to regularly report actual implementation performance to the Committee and the Board of Directors. Such performance shall be assessed in accordance with the Company's performance evaluation policies and the relevant reward and disciplinary regulations.
Supplier Sustainability Management Guidelines	The Company's Website	President	To fulfill its corporate social responsibility, the Company promotes the joint observance of sustainability-related principles among its suppliers, including labor rights protection, environmental stewardship, and ethical corporate management standards. The Company also requires its major suppliers to sign the Supplier Sustainability Commitment to promote a balance among economic, social, and environmental interests and support sustainable development.		The Administration Department promotes sustainability-related issues to suppliers, including labor rights protection, environmental stewardship, and ethical corporate management standards, and invites suppliers to sign and jointly comply with the Supplier Sustainability Management Guidelines.		When entering into contracts with the Company, suppliers are required to adhere to the principles of ethical corporate management and fulfill their corporate social responsibility obligations, conducting transactions with the Company in an open and transparent manner. If a supplier engages in dishonest conduct of a material nature, or breaches its corporate social responsibility commitments (including, but not limited to, labor rights protection, environmental stewardship, and consumer protection), thereby causing a significant impact on the environment or society, the Company may terminate or rescind the relevant contract in accordance with the applicable contractual provisions.

Legal Compliance Organizational Structure

The Company's Legal Compliance Department is established in accordance with the FSC's "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets." Reporting directly to the President, the Department is responsible for the planning, administration, and implementation of the compliance system. In addition, the Board of Directors appoints a senior executive to serve as the Chief Legal Compliance Officer, who oversees all compliance-related affairs. The Legal Compliance Department regularly reports on legal compliance risk management and compliance-related business matters to the Board of Directors. It is also responsible for the planning, administration, implementation, and assessment of the Company's legal compliance framework, as well as ensuring that internal policies and procedures are updated and revised in accordance with changes in the external regulatory environment. In response to regulatory developments and emerging trends, the Department actively arranges and promotes compliance training programs across all internal departments to strengthen compliance awareness throughout the Company. Training programs cover topics including securities, futures, securities investment trusts and consulting regulations, ethical corporate management, and personal data protection. At the same time, the Company's Legal Compliance Officer regularly participates in legal compliance meetings together with the legal compliance officers of KGI Financial Holding and its subsidiaries to discuss legal compliance matters and other important issues. The objectives are to promote transparent communication within the Group, ensure information consistency, and oversee the effective implementation of legal compliance functions.

◈ Legal Compliance Education and Training Results

Course Contents	Number of Participants	Training Hours
Legal Compliance Education and Training for Company Personnel	3,279	63 minutes
Digital Training and Awareness Program on Ethical Corporate Management (Including Anti-Corruption)	3,308	40 minutes
Legal Compliance Training Program for Trading Personnel	92	20 minutes
Training Program for Newly Hired Sales Personnel	165	0.5
Internal Whistleblowing System Education and Training	Company-wide awareness promotion via Email	0.5
Personal Data and Privacy Education and Training	3,270	69 minutes
Training on the Fair Customer Treatment Principles for the Financial Services Industry	2,749	3
Legal Compliance Liaison Meeting and Annual Training Program	41	1
Explanation of the Adjustment to the Frequency of Warning Account Procedures	1,203	0.1
Awareness Communication on Common Operational Issues Relating to the Control Checklist for Customers Whose Medium- or High-Risk Factors Are Inconsistent with Their Appropriate Risk Rating	1,159	0.3

Legal Compliance Status

The Company was subject to a total of two regulatory sanctions in 2024 (all of which were general sanction cases), with aggregate fines amounting to NT$840,000. In 2025, the Company was subject to a total of four regulatory sanctions (all of which were general sanction cases), with aggregate fines amounting to NT$2.1 million. For a summary of the key sanction cases in both years, please refer to the Appendix of this Report.

In addition, during 2025, the Company was not involved in any violations relating to product and service information and labeling requirements, marketing communications regulations, fraud, insider trading, antitrust, anti-competition or monopolistic practices, bribery, illegal political contributions, or other unlawful conduct. The Company was also not involved in any mediation or arbitration cases related to violations of ethical corporate management principles. In 2025, the Company received three civil litigation cases involving employees in connection with business-related matters. All of the cases were related to customer disputes arising from brokerage business operations. The Company will continue to monitor the progress of these cases.

Anti-money laundering and counter-terrorism financing

With respect to anti-money laundering and counter-terrorism financing, the Company has established a Three Lines of Defense internal control framework:

First Line of Defense – Sales Units

Sales units involved in anti-money laundering and counter-terrorism financing activities are responsible for identifying and managing risks at the first line. Based on the characteristics of such risks, they design and implement effective internal control procedures covering all relevant operational activities and conduct self-assessment procedures.

Second Line of Defense – Legal Compliance Department

Assists and supervises the first line of defense in identifying and managing risks and is responsible for formulating the overall risk management policies for anti-money laundering and counter-terrorism financing, overseeing the Company's overall risk appetite and current risk exposure, and reporting risk management and control matters to the Board of Directors or senior management.

Third Line of Defense – Internal Audit Unit:

Performs audit activities independently to examine and assess whether the risk management and internal control systems are operating effectively, including evaluating the effectiveness of risk monitoring conducted by the first and second lines of defense. The Internal Audit Unit also provides timely recommendations for improvement to reasonably ensure the continuous and effective implementation of the internal control system and to serve as a basis for reviewing and revising the it.

In addition to the basic Three Lines of Defense framework, the Company also places great importance on the training and professional competence of personnel responsible for anti-money laundering and counter-terrorism financing. Within the first line of defense, business units have designated personnel to serve as supervisory officers responsible for overseeing the implementation of anti-money laundering and counter-terrorism financing measures within their respective units. A total of 83 supervisory officers and 157 designated alternates have been appointed. Within the second line of defense, the Legal Compliance Department has a dedicated officer at the rank of Vice President, appointed by the Board of Directors to oversee anti-money laundering and counter-terrorism financing matters, supported by a team of nine dedicated personnel. In addition to requiring the foregoing personnel to obtain relevant professional qualifications, the Company requires them to complete at least 12 hours of anti-money laundering and counter-terrorism financing training each year, provided by internal or external training organizations approved by the dedicated officer. At least one-half of the required training hours must be completed through programs offered by law enforcement agencies, training institutions recognized by the FSC, the Securities Association, securities and futures market institutions, the Taiwan Financial Services Roundtable, or the FSC.

Based on the nature of their duties, the Company arranges anti-money laundering and counter-terrorism financing training programs with appropriate content and duration each year for directors, independent directors, the President, legal compliance personnel, internal audit personnel, and business personnel. The purpose is to ensure that they understand their respective anti-money laundering and counter-terrorism financing responsibilities and possess the professional knowledge required to fulfill them.

The anti-money laundering-related training programs, awareness campaigns, briefings, seminars, and other related activities organized by the Company in 2025 are set out in the table below.

Activity Contents	Number of Participants	Training Hours
Digital Training Program for New Personnel on Anti-Money Laundering, Counter-Terrorism Financing, and Counter-Proliferation Financing	448	1
Digital Training Program for Existing Personnel on Anti-Money Laundering, Counter-Terrorism Financing, and Counter-Proliferation Financing	2,926	1.2
Annual Training Program for Anti-Money Laundering and Counter-Terrorism Financing Personnel	261	12
Awareness Communication on Remediation Measures for Deficiencies Identified in Anti-Money Laundering Reviews	1,253	0.3
Guidelines for Reviewing and Assessing Suspicious Money Laundering, Terrorism Financing, or Proliferation Financing Transactions and for Completing the Supporting Rationale	1,127	0.2
Industry Classification and Related Considerations, and Strengthening Anti-Money Laundering Measures for Virtual Asset Service Providers (VASPs)	1,095	0.3
Anti-Money Laundering Process Training for Newly Hired Sales Personnel	98	0.7
Briefing on Amendments to the Standard Regulations Governing Internal Control Systems of Futures Commission Merchants and Futures Introducing Brokers, and Awareness Session on Anti-Money Laundering and Counter-Terrorism Financing	38	3
Briefing on Anti-Money Laundering and Counter-Terrorism Financing Regulations and Case Studies	32	3
Briefing on Practical Anti-Money Laundering Case Studies	17	2
Seminar on Anti-Money Laundering, Counter-Terrorism Financing, and Counter-Proliferation Financing in the Financial Industry	5	5.7
Domestic and International Sanctions Regulations, Money Laundering Techniques Used to Evade Sanctions, and Related Case Studies	5	2
Legal Compliance Seminar on Anti-Money Laundering and Counter-Terrorism Financing for Securities Firms	4	3
Corruption, Bribery, and Third-Party Money Laundering	3	2
Seminar on International Trends and Practices in Anti-Money Laundering and Counter-Terrorism Financing	1	3
Briefing Series on Anti-Money Laundering and Counter-Terrorism Financing Topics	1	3

In addition, to enhance employees' professional knowledge and capabilities in anti-money laundering and counter-terrorism financing, the Company encourages relevant personnel to take the Certified Anti-Money Laundering Specialist (CAMS) examination administered by the Association of Certified Anti-Money Laundering Specialists (ACAMS), and subsidizes the related examination expenses. As of the end of 2025, a total of 24 employees within the organization had obtained the CAMS certification.

In addition to the internal control framework and the promotion of internal training programs described above, the Company engaged external consultants in 2025 to provide project-based advisory services aimed at continuously enhancing its anti-money laundering and counter-terrorism financing procedures and strengthening the effectiveness of related management and monitoring mechanisms.

Project Implementation	Project Contents
2025 Anti-Money Laundering and Counter-Terrorism Financing Transaction Monitoring Mechanism Validation Project	Engaged EY Business Advisory Services Inc. as the consulting advisor to conduct assessments and testing of the anti-money laundering and counter-terrorism financing transaction monitoring model across five key dimensions, including: (1) reviewing the roles and responsibilities of relevant personnel or units involved in the account and transaction monitoring mechanism from an internal control process perspective; (2) verifying the accuracy and completeness of input data and corresponding system fields; (3) assessing the logic of detection scenarios; (4) conducting model validation; and (5) reviewing data outputs, in order to confirm the effectiveness, reasonableness, and appropriateness of the management of the transaction monitoring mechanism.
Name Screening System Matching Engine Replacement Project	Through system replacement and the procurement and deployment of new hardware, the Company enhanced the performance and efficiency of the screening system, reduced system operation and personnel waiting times, optimized various functionalities, minimized the risk of human error, and improved the efficiency of case reviews. In addition, the Company implemented a number of enhancement measures, including establishing a large-value transaction monitoring scenario to monitor customers' transactions across different branches, incorporating supplementary information into the existing transaction monitoring mechanism to assist in detecting insider trading, conducting same-address transaction monitoring based on standardized addresses, and adding fraud case illustrations relating to the brokerage of foreign securities to the manual monitoring checklist. These enhancements were introduced to improve the overall effectiveness of transaction monitoring and streamline operational processes.
Other Optimization Measures	1. Enhanced transaction monitoring effectiveness and operational processes, including adjusting the monitoring criteria for transactions involving the same contact information to avoid generating duplicate alerts; simplifying certain monitoring procedures by allowing confirmation through recorded calls without requiring written documentation; and consolidating fields in the manual monitoring checklist to improve the completeness of the form. 2. Enhanced the effectiveness and operational efficiency of name screening processes, including improving the processing efficiency of the name screening system for high-volume screening activities; standardizing nationality processing rules within the name screening system to improve matching accuracy; refining the categories subject to ongoing screening to reduce unnecessary screening activities; limiting the display of name screening results to unmatched names that have not previously been reviewed, thereby reducing the volume of manual reviews; integrating the name screening system with the data warehouse to consolidate customer and related-party lists across the Company and automatically update screening lists on a daily basis, enabling automatic correction of customer and related-party information; and providing real-time updates of responsible units and automatically closing cases involving customers or related parties that are no longer subject to matching requirements. 3. Enhanced risk assessment systems and reports, including integrating the risk assessment system with peripheral systems to automatically import industry information in place of manual data entry, improving the accuracy of consolidated customer data used in relevant reports, and optimizing the assignment units and notification recipients.

The foregoing measures demonstrate the Company's strong commitment to anti-money laundering and counter-terrorism financing. Going forward, the Company will continue to enhance and develop relevant measures in these areas.

Whistleblower System

Pursuant to the Company's "Guidelines for Handling Reports of Illegal, Unethical, or Dishonest Conduct," any person who becomes aware of conduct by an employee of the Company or its subsidiaries that violates applicable laws or regulations, the Company's "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Employee Code of Conduct," or other relevant policies may file a report through whistleblowing channels, including written correspondence, email, telephone, or facsimile. The Legal Compliance Department serves as the designated unit for receiving whistleblowing reports. The Company will keep the identity of whistleblowers and the contents of their reports strictly confidential and will actively investigate and handle all reported cases.

Title of the Internal Whistleblowing Policy	"Guidelines for Handling Reports of Illegal, Unethical, or Dishonest Conduct" (hereinafter referred to as the "Whistleblowing Guidelines")
Designated Unit for Receiving Whistleblowing Reports	KGI Securities' Legal Compliance Department
Investigation Unit for Whistleblowing Reports	Pursuant to Article 6 of the "Whistleblowing Guidelines": 1. Where the reported person is an employee below the rank of Senior Assistant Vice President of the Company, the head of the Legal Compliance Department shall promptly report the matter to the President, who shall then direct the formation of an investigation team. 2. Where the reported person is a director of the Company or a member of management whose position is equivalent to or higher than that of a Vice President, the head of the Legal Compliance Department shall report the matter to the convener of the Audit Committee, who shall direct the formation of an investigation team. 3. Where the reported person is an Independent Director, the head of the Legal Compliance Department shall report the matter to the Chairman, who shall direct the formation of an investigation team. The investigation team shall submit an investigation report within six months from the day following its appointment. However, if the case is complex or cannot be completed within the foregoing period due to other factors, the investigation period may be extended once for an additional three months. After the investigation results have been submitted as a confidential report and approved at the original reporting level, cases under Category 1 above shall be submitted to the next meeting of the Sustainability and Ethical Corporate Management Committee for review before being reported to the Audit Committee. Cases under Categories 2 and 3 above shall be submitted to the next meeting of the Audit Committee for further review.
Whistleblower Channel	1. **Whistleblowing Postal Mailbox:** P.O. Box No. 223, Taipei Beian Post Office, Taipei 10499, Taiwan 2. **Whistleblower hotline:** 02-7702-0906 3. **Whistleblower fax:** 02-7702-0907 4. **Whistleblowing Email:** whistleblower.kgisec@kgi.com. The above whistleblowing channels are publicly disclosed on the Company's official website: https://www.kgi.com.tw/zh-tw/code-of-conduct. In addition, information regarding the whistleblowing system and related reporting channels is available in the Legal Compliance Department section of the Company's intranet.
Promotion of Whistleblower Channel	1. Conduct whistleblowing system awareness campaigns twice each year. 2. Awareness and explanatory sessions are provided to all personnel through the annual "Legal Compliance Training Program for Personnel." 3. Awareness and explanatory sessions are provided to each newly hired sales representative through the training program for new personnel in the brokerage business units.
Whistleblower Protection and Incentives	Article 4, Paragraph 2 of the "Whistleblowing Guidelines" expressly stipulates that the Company shall keep the identity of whistleblowers confidential, and that relevant information shall be properly retained, encrypted, and protected, with access rights restricted. Paragraph 3 of the same Article further provides that where the whistleblower is an employee of the Company or its subsidiaries, the Company shall provide appropriate protective measures and shall not dismiss, remove, demote, reduce the salary of, deprive the whistleblower of any rights or interests to which he or she is entitled under laws, regulations, contracts, or customary practice, nor impose any other adverse treatment as a result of the report. Pursuant to Article 8 of the "Whistleblowing Guidelines," where a reported case is verified to be substantiated and involves material circumstances, the Company may, in addition to handling the matter in accordance with applicable laws, regulations, or relevant Company policies, provide the whistleblower with an appropriate reward.
Substantiated Whistleblowing Cases	In 2025, the Company did not have any substantiated whistleblowing cases.

Investigation Procedures and Handling Process for Whistleblowing Cases

Whistleblower

Reports may be submitted in writing, by telephone, facsimile, or email.

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Legal Compliance Department

Receipt of Whistleblowing Reports

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- Reported Person at the Rank of Senior Assistant Vice President or Below:
  The President forms an Investigation Team.
- Reported Person Who Is a Director or at the Rank of Vice President or Above: The Convener of the Audit Committee forms an Investigation Team.
- Reported Person Who Is an Independent Director:
  The Chairman forms an Investigation Team.

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If, upon investigation, a whistleblowing case is found to involve a material incident or unlawful conduct, the matter shall be proactively reported or referred to the relevant authorities.

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After the investigation results have been submitted as a confidential report and approved at the original reporting level, the case shall be submitted to the Sustainability and Ethical Corporate Management Committee for review or to the Audit Committee for further review.

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The Investigation Team notifies the whistleblower of the investigation results.

2.2 Risk Management

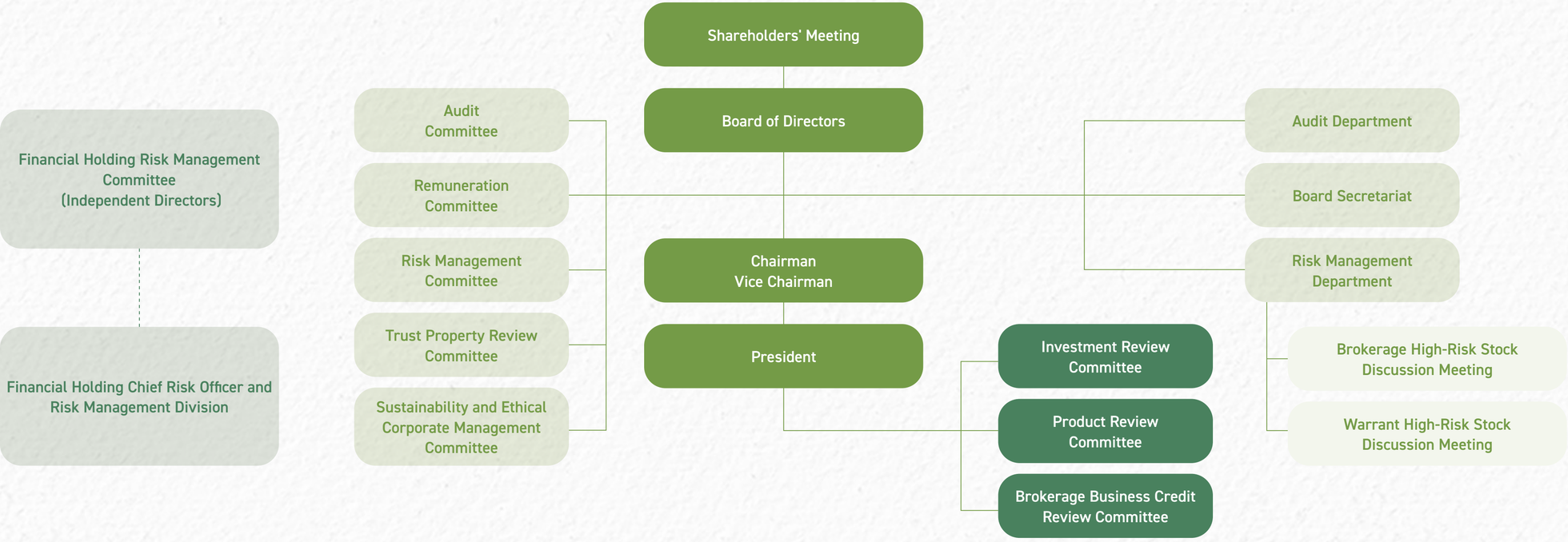
In the face of a rapidly changing market environment, the scope of risk management has become increasingly broad and complex. To effectively manage risks related to the Company's operations and strengthen its competitive advantages, KGI Securities has established the "Risk Management Policy" and other relevant regulations in accordance with regulatory requirements, KGI Financial Holding's "Risk Management Policy," and the Company's business development strategies, serving as the basis for risk management practices. KGI Securities continues to enhance its risk management framework, with management coverage encompassing market risk, credit risk, liquidity risk, operational risk, legal risk, and capital adequacy. In recent years, risks arising from climate change have become increasingly significant. These include physical risks, such as acute extreme weather events (e.g. typhoons and extreme rainfall) and chronic changes in climate patterns (e.g. prolonged high temperatures and rising sea levels), as well as transition risks arising from policy, legal, technological, or market changes associated with the transition to a low-carbon economy. All of these risks may have an impact on the Company's operations. The Company will continue to identify, assess, monitor, and manage various risks through ongoing risk management measures in order to maintain stable operations.

2.2.1 Risk Management Governance Structure and Responsibilities

KGI Securities' Board of Directors is the highest governing body for risk management and is responsible for ensuring the effective implementation of risk management, approving risk management policies, supervising the execution of the overall risk management framework, and ultimately bearing responsibility for the Company's risk management. The Risk Management Committee established under the Board of Directors is a functional committee responsible for implementing risk management decisions approved by the Board, reviewing the annual risk appetite and limits of the Company, individual business units, and business projects, examining significant risk events and corresponding response measures, and reviewing risk information submitted by various risk management-related units.

To safeguard the interests of shareholders and investors, the Company has also established an Investment Review Committee and a Product Review Committee. These committees are responsible for reviewing securities underwriting and advisory sales business cases, general long-term investment proposals, and maintaining a product evaluation and review framework for assessing and approving products prior to launch.

The Company's Risk Management Department reports directly to the Board of Directors and is responsible for carrying out day-to-day risk measurement, monitoring, and assessment activities. It also prepares regular risk management reports and submits them to management in accordance with prescribed reporting procedures. In addition, the Department is responsible for validating the financial instrument valuation models used by business units and for developing, maintaining, or assisting in the development and maintenance of risk management information systems.



2.2.2 Fostering a Risk-Aware Corporate Culture

Important Risk Management Mechanisms

The Company has established appropriate risk management mechanisms for key risk categories, including market risk, credit risk, operational risk, liquidity risk, and legal risk, which serve as the basis for risk management practices and compliance. The definitions of each risk category are as follows:

01

Market Risk

Refers to the risk of loss resulting from a borrower, debtor, counterparty, brokerage client, or other obligor failing to fulfill their obligations, or from changes in the credit quality of financial assets held.

02

Credit Risk

Refers to the risk of loss resulting from changes in the value of trading positions due to fluctuations in market risk factors, including interest rates, foreign exchange rates, equity securities, and commodity prices.

03

Liquidity Risk

May be categorized into market liquidity risk and funding liquidity risk. Market liquidity risk refers to the risk of loss arising from the inability to offset or liquidate a position at the prevailing market price. Funding liquidity risk refers to the risk of a funding shortfall arising from ineffective or inadequate cash flow management.

04

Operational Risk

Refers to the risk of loss resulting from inadequate or failed internal processes, personnel, or systems, or from external events. Examples include transaction authorization procedures, access to transaction support information, consideration of counterparty experience, retention of transaction records, valuation processes, verification of pricing information, preparation of profit and loss reports, transaction processing and confirmation, clearing and settlement, account verification, asset control, information security, information system maintenance, segregation of duties and responsibilities, related-party transactions, and the internal control system.

05

Legal Risk

Refers to the risk of potential loss arising from uncertainty in legal proceedings or the application of laws and regulations, as well as defects in contracts or other legal documents.

06

Climate Risk

Refers to transition risks associated with climate change and the shift to a low-carbon economy that may affect the Company’s financial position, strategy, operations, products, and reputation, as well as physical risks arising from climate change and extreme weather events that may impact the Company’s financial condition and operations.

With respect to business limit management and risk management-related regulations for various business units, the Risk Management Department participates in the formulation and revision of relevant policies and works closely with other related departments of the Company to implement monitoring procedures. In addition, risk management is conducted through risk management information systems that are either internally developed or externally procured, enabling the Company to manage risks effectively. Regular and ad hoc risk management reports and statements are also provided to senior management as references for business and management decision-making.

In response to the emergence of global and emerging risks, the Company, in accordance with the KGI Financial Holding Group's "Risk Management Policy," has progressively established identification and assessment mechanisms for significant emerging risk categories, such as regional geopolitical and economic risks and cybersecurity risks. Based on these mechanisms, the Company formulates response strategies and manages the associated risks to ensure its sound operation and sustainable development.

Risk Management and Reporting Mechanisms for Each Risk Category

Risk Category	Risk Management Measurement Mechanism	Risk Management Report Coverage and Reporting Frequency
Market Risk	- The Company manages market risk through the establishment of a risk management framework, market risk management regulations, and operational guidelines for various financial products. Based on its business strategy and risk appetite, the Company allocates capital for market risk and conducts daily market risk monitoring activities to ensure that risk exposures remain within the Company's risk tolerance. - The Company uses the MSCI Risk Manager market risk management system as its primary quantitative risk management tool. The system provides comprehensive daily analyses and consolidated calculation results across multiple dimensions, covering equity, interest rate, commodity, and foreign exchange risks, as well as model calibration and applications for various derivative products, thereby supporting the effective implementation of the Company's annual risk appetite management. To verify the performance of the market Value-at-Risk (VaR) model, the Risk Management Department conducts periodic back-testing to assess the model's effectiveness.	The Risk Management Department generates daily risk management reports covering the Company as a whole, business departments, individual business lines, and traders, including sensitivity measures, Value-at-Risk (VaR), trading profit and loss, and other risk metrics. These reports are used to monitor compliance with the market risk limits approved for the year and to provide management and business units with relevant risk management information.
Credit Risk	- The Company's credit risk management framework establishes appropriate credit risk limits based on the credit ratings of issuers and counterparties, transaction characteristics, and product types, while also taking into consideration factors such as the Company's net worth and concentration risk. In addition to regularly reviewing the credit quality of counterparties, positions, and collateral, the Company compiles and reports the utilization of various credit risk limits to relevant units and management. - When assessing the credit risk of a counterparty or transaction underlying asset, the Company may rely on external credit ratings and map such ratings in accordance with its internal rating scale. External credit ratings are referenced from rating agencies, including Taiwan Economic Journal TCRI, Taiwan Ratings Corporation, S&P Global Ratings, Moody's, and Fitch Ratings. These ratings are mapped to the Company's internal rating scale of Grades 1 through 9. In addition to updating external credit rating information for counterparties and transaction underlying assets on an ongoing basis, the Company may make appropriate adjustments to credit risk limits when credit ratings change.	The Risk Management Department monitors changes in the Company's pre-settlement counterparty credit risk exposure arising from over-the-counter (OTC) derivative transactions daily and provides relevant risk information to management and business units for reference. The Department also implements graded management of credit exposures to issuers and counterparties associated with the Company's positions and is responsible for administering various credit risk limits, as well as responding to and managing credit risk events. The Risk Management Department applies to the Board of Directors annually for the allocation of credit risk capital. In addition to establishing expected loss limits for credit risk, it sets pre-settlement counterparty credit risk limits and various concentration risk limits. Through the ongoing review of credit risk exposures and changes in the credit risk profiles of counterparties and transaction underlying assets, the Department monitors the utilization of credit risk limits and effectively manages the Company's credit risk.
Liquidity Risk	The Company's liquidity risk is categorized into market liquidity risk and funding liquidity risk. Market liquidity risk is measured based on the trading volume of the positions held by the Company and is used as a basis for risk monitoring and information disclosure. For funding liquidity risk management, the Company has established an independent treasury management unit responsible for managing funding based on the net cash flow requirements and timing needs of various departments, thereby effectively controlling the Company's funding liquidity risk.	Information relating to market liquidity risk is regularly reported to the Risk Management Committee through formal reports. Funding liquidity risk is managed by the Treasury Management Unit, which regularly reviews the Company's relevant financial ratios and assesses its funding position. The unit formulates recommendations for appropriate funding safety reserves on a quarterly basis, submits these recommendations for approval by the head of the Treasury Management Unit, and reviews the funding safety reserve standards on a monthly basis.
Operational Risk	- The Company's operational risk management framework establishes control points and review checkpoints within its internal control systems based on the risk characteristics of each operational process. The Company also conducts periodic self-assessments of its internal control mechanisms to ensure the completeness and effectiveness of operational procedures and key control measures. - All units of the Company are responsible for managing operational risk within the scope of their respective functions and responsibilities. The scope and content of such management include authorizations, processes, and operational activities related to operational risk management. All related arrangements are designed in accordance with the principles of segregation between front-office and back-office functions, and the independence of duties and authorities.	All units shall follow the reporting procedures set forth in the Company's "Procedures for Reporting and Handling Abnormal Events and Material Incidents" whenever an abnormal event occurs. The Internal Audit Unit shall investigate abnormal events based on their nature and shall follow up on the implementation of corrective actions in accordance with the investigation results. The Risk Management Department is responsible for collecting and reporting operational risk loss events and regularly reports such events to the Securities Company's Risk Management Committee and the Financial Holding Company's Risk Management Committee to ensure the effective management of operational risk loss events.

Capital Adequacy Planning

Pursuant to the Company's "Risk Management Policy," and in order to effectively manage risks associated with its operations, strengthen its competitive advantages, and support its business development strategy, the Company prudently manages its capital adequacy ratio and maintains it above the minimum regulatory requirements prescribed by the competent authority. This ensures that sufficient capital is available to support the risks arising from its operations. Through capital allocation, the Company seeks to balance risk management and business development, allocate resources efficiently, and achieve optimal capital allocation.

With respect to capital planning and capital adequacy management procedures, when preparing the annual budget, the Company takes into account its strategic plans, risk policies, and overall resources as the basis for business units to establish budget performance targets, strategic priorities, and risk capital allocations, thereby achieving the Company's strategic objectives and effectively managing enterprise-wide risks. The Company's Finance Department conducts periodic stress testing to monitor the status of the Company's capital adequacy ratio, ensuring compliance with regulatory requirements and internal policies. The results are also reported to the competent authority on a monthly basis. Based on the results of the stress tests, the Company analyzes the RAROC [Note] of individual business activities and their impact on capital adequacy in order to achieve optimal capital allocation. The Company has also established internal early warning indicators for capital adequacy ratios. If market activities become overheated, resulting in insufficient overall risk capital and resources and causing the capital adequacy ratio to fall below the prescribed warning threshold, the Company will reallocate risk capital among business units based on the stress test results. Where necessary, relevant business units may be convened to discuss and adjust capital allocations among the respective units.

In addition, to assess the level of market risk borne by trading positions, the Risk Management Department conducts periodic stress testing to measure the profit and loss impact of extreme movements in market risk factors on investment portfolios, thereby evaluating the potential effects on the profitability of the Company's business portfolios.

The Company conducts stress testing using both historical scenario analysis and internally developed hypothetical scenario analysis. The results of these tests are regularly reported to the Company's Risk Management Committee and Board of Directors. Assuming that the Company's trading inventory remained unchanged as of December 31, 2025, under a hypothetical stress scenario in which equity indices in all markets decline by 20%, yield curves shift upward in parallel by 150 basis points, all foreign currencies depreciate by 10% against the New Taiwan dollar, and all commodity indices decline by 25%, the estimated loss on the Company's trading positions would be approximately NT$2.069 billion.

Note: Risk-Adjusted Return on Capital (RAROC) is a risk-adjusted measure of return that takes into account both the return and the risk associated with an asset. By considering these factors simultaneously, RAROC helps avoid potential losses that may arise from pursuing high returns accompanied by disproportionately high levels of risk.

Level 3 Asset Valuation and Management Process

For assets and liabilities whose fair value measurements are classified as Level 3, KGI Securities conducts its valuation procedures in accordance with the Company's "Asset Valuation Guidelines." Where fair market prices are not readily available or where transactions involve products without an active market, the relevant departments assess the reasonableness of the fair value, and the Accounting Department records the valuation results accordingly.

Sales units estimate fair value using appropriate valuation methodologies or models in accordance with the valuation methods configured within the system. As the Company has obtained the qualification to apply the Sensitivity Analysis (Delta-Plus) Method for options under the advanced approach to securities firms' capital adequacy ratio calculations, any financial instrument valuation models used for calculating the capital adequacy ratio or other regulatory ratios must additionally comply with the Company's "Model Use Management Guidelines." Where a business unit requires the addition of, or modification to, a financial instrument valuation model, the business unit shall submit an application to the Risk Management Department for the addition or modification of the model (including its parameters) together with the required supporting documentation. The Risk Management Department will conduct the prescribed model and parameter validation and approval procedures and communicate the results to the Information Unit, Model Development and User Unit, Internal Audit Unit, Accounting Department, Financial Management Department, Administration Department, and other relevant units. Where the model validation result is "approved," the relevant units may adopt the model in actual business operations or implement it within information systems, thereby ensuring consistency in the calculation methodologies, models, and data applied across departments and product lines. The Risk Management Department also performs quarterly model reviews. For models that have not undergone any changes during the quarter, the review is limited to verifying the accuracy and appropriateness of the relevant parameters. In addition, the Department, together with the relevant units, submits the "Self-Assessment Checklist for Securities Firms' Model Use Management Operations" for the preceding quarter to the TWSE and the TPEx. In addition, the Company's investment properties are not measured at fair value. However, in accordance with IFRS and the Regulations Governing the Preparation of Financial Reports by Securities Firms, information regarding their fair value is required to be disclosed in the financial statements. The fair value hierarchy classification of such investment properties is categorized as Level 3, and their fair values are determined with reference to external appraisal reports.

2.2.3 Climate Risk Identification and Response

On March 8, 2022, the FSC issued the "Sustainable Development Transition Implementation Strategy for the Securities and Futures Industry" and promoted three key strategies: "Strengthening the Securities and Futures Industry's Capacity to Address Climate Change Risks," "Enhancing Sustainability-Related Information Disclosure by the Securities and Futures Industry," and "Improving Information Disclosure Channels and External Communication Mechanisms for the Securities and Futures Industry." These initiatives are intended to enhance the quality and substance of sustainability-related disclosures within the securities industry. Since 2022, the Company has continuously implemented its TCFD initiative, coordinated by the Risk Management Department. The Company also established the "Climate Change Management Guidelines," which were approved by the Board of Directors and formally issued in 2023. Through these efforts, climate-related risks and opportunities have been progressively incorporated into the Company's existing risk management framework. The Company publishes a standalone TCFD Report annually. For further information, please refer to the Environmental Chapter of this Report and the TCFD Report.

Since 2022, the Company has leveraged the expertise of external consultants to strengthen its climate change risk analysis and assessment capabilities. By adopting the TCFD framework, the Company identifies and evaluates climate-related risks and opportunities, establishes a climate governance framework, and implements internal management procedures and mechanisms relating to climate risk. The Company also regularly assesses the impact of physical climate risks on its operating locations and develops corresponding response measures. With respect to physical climate risks, the Company has established a strategy of "Low-carbon Transition of Its Own Operations and Enhancement of Climate Resilience." Drawing on the SBTi framework, the Company has set short-, medium-, and long-term targets to strengthen climate resilience, formulate climate change mitigation and adaptation measures, and ensure business continuity.

2.3 Information Security

In recent years, with the rapid advancement of information technology, information security attacks and personal data breach incidents have occurred with increasing frequency. As a result, regulatory authorities have placed growing emphasis on information security and continue to promote its importance. In addition to regularly reviewing the applicability of its internal policies and external regulatory requirements, the Company has established an "Information Security Policy" to ensure the confidentiality, integrity, and availability of the professional financial services it provides. In accordance with applicable laws and regulations, the Company conducts information security risk assessments, determines the required security levels for various information operations, and implements appropriate and adequate information security measures to ensure the security of information throughout its collection, processing, transmission, storage, and circulation.

2.3.1 Information Security Governance Structure

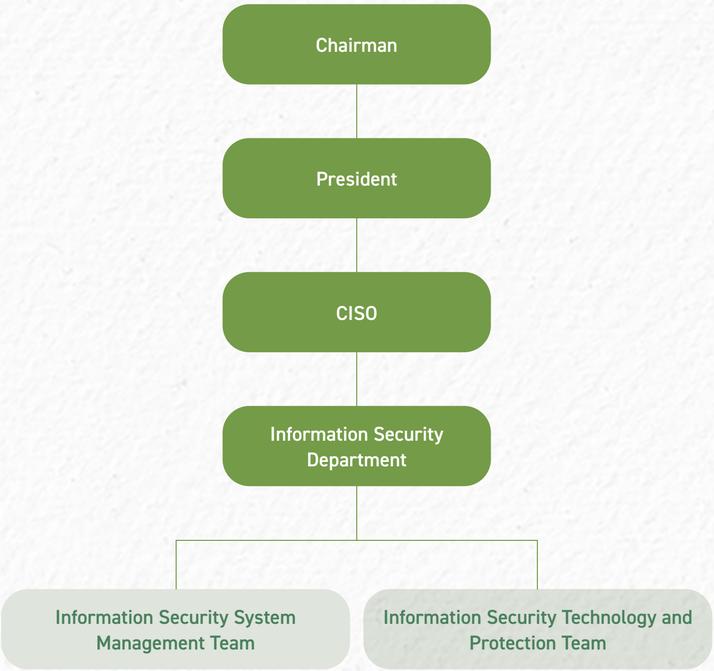
To enhance information security awareness across the organization, the Company appointed a CISO in 2022 and engaged an external consultant with an information security background to participate in Board meetings. The Company regularly conducts information security training for directors and supervisors and shares developments in industry information security risks. This helps the organization incorporate information security risks into business decision-making and promotes information security risk governance from the Board level throughout the organization.

To strengthen information security management and foster a robust information security culture, the Company elevated its information security function in 2023 from a dedicated unit within the Information Department to an independent Information Security Department. This organizational enhancement was implemented to ensure the effective execution of the Company's information security policies and to strengthen the organization's information security defenses.

The Information Security Department is headed by one Senior Assistant Vice President and is staffed by 14 dedicated information security professionals, who are organized into two teams: the "Information Security System Management Team" and the "Information Security Protection Technology Team." The Information Security System Management Team is responsible for formulating information security policies and regulations, promoting and implementing the information security management framework, managing annual information security projects, and conducting information security awareness and training programs. The Information Security Protection Technology Team is responsible for implementing information security technologies and control measures, establishing information security monitoring capabilities, and maintaining mechanisms for information security incident analysis, reporting, investigation, and response. The two teams perform their respective functions to strengthen the Company's information security capabilities. Personnel within the relevant departments hold information security certifications required under applicable information security standards and regulations, including ISO 27001 certifications, exceeding current regulatory requirements.

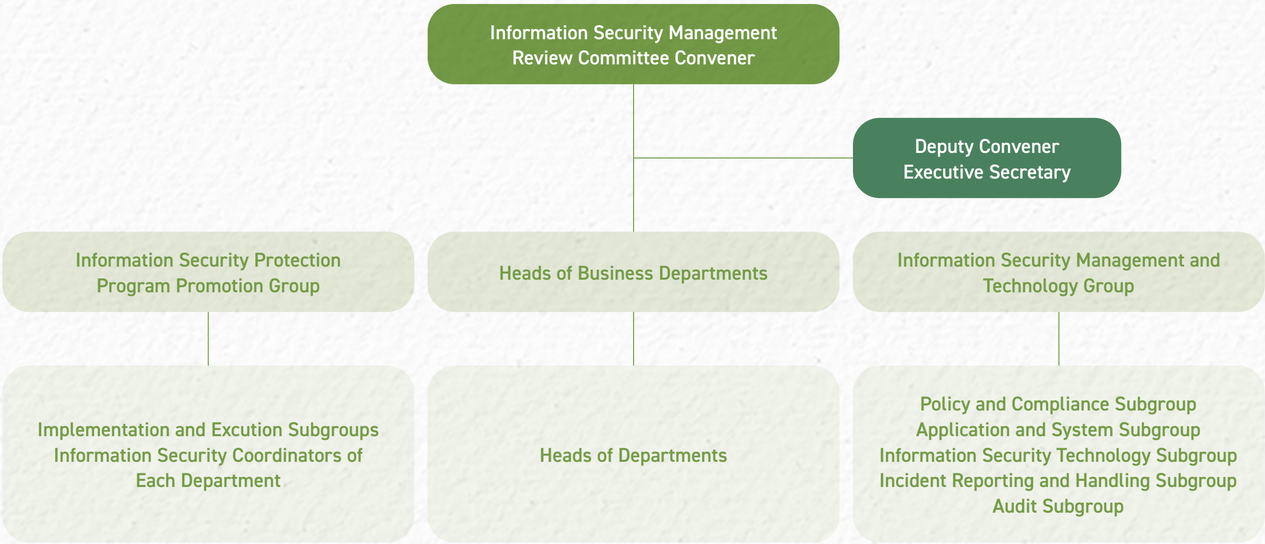
The Information Department is responsible for formulating the overall strategy and objectives for information development; overseeing the planning, training, research, and development of information operations; managing the development, maintenance, and administration of information systems; and overseeing the establishment, operation, and management of computer and network environments. The Department also collaborates with various units in planning and implementing annual information projects and is responsible for information system incident reporting, information governance, information risk management, and information compliance.

Information Security Organizational Structure



Information Security Management Review Committee

KGI Securities established an Information Security Promotion Task Force in 2016 to coordinate ISO 27001 management and information security-related matters. Following the elevation of the Information Security Department to an independent entity in 2023, the Information Security Promotion Task Force was upgraded to the Information Security Management Review Committee. The Committee is convened by the President of KGI Securities, with the CISO serving as Deputy Convener. The Committee is an internal, task-oriented organization that regularly reports the progress of information security initiatives to relevant units within the organization. It convenes at least two meetings each year and is responsible for managing the agenda and procedures of the annual information security management review meetings, overseeing the implementation of meeting resolutions, and reviewing and managing the results of the Information Security Management System (ISMS).



Information Security Background of Management

Job Title	Name	Information Security Background and Experience
Convener of Information Security Management Review Committee	President, Chih-Hung Lin	Possesses more than 25 years of experience in the financial and securities industry, with extensive expertise in business management, regional integration, and the development of domestic and international financial services.
Deputy Convener of Information Security Management Review Committee CISO	Vice President, Jung-Lin Huang	Possesses more than 25 years of practical experience in information planning, system implementation and deployment, information security, and network security management.
Head of the Information Security Department	Senior Assistant Vice President, Cheng-Chieh Huang	Holds certifications including ISO 27001 LA, CISA, and CHFI.

Note: President Chih-Hung Lin and Vice President Jung-Lin Huang officially assumed their positions in April 2026.

In addition to management personnel, KGI Securities' dedicated information security personnel hold information security certifications including ISO 27001, ISO 22301, ISO 27701, CISA, CEH, CompTIA Security+, CCNA, ECSA, CHFI, and ECIH. As of the end of 2025, they held a total of 32 professional certifications.

2.3.2 Information Security Validation and Enhancement Measures

External Verification of Information Security

To comply with current information security regulatory requirements, strengthen its information security framework, and meet external certification standards, the Company adopted the ISO 27001 Information Security Management System (ISMS) "Plan-Do-Check-Act" (PDCA) cycle in 2016 and established an information security management framework. The Company also conducts at least one ISO 27001 management review meeting each year to report on information security management activities and information security risk treatment results, ensuring the continual operation and timely improvement of its information security management system.

In 2024, the Company completed the transition project for its ISO 27001 Information Security Management System (ISO 27001:2022). In accordance with the updated requirements of the new ISO 27001 standard, the Company implemented 11 additional information security controls to address the increasingly diverse methods and forms of cyberattacks in recent years, while comprehensively reviewing and strengthening its existing information security systems. The transition project was successfully completed in December 2024, and the Company obtained third-party certification. The Company subsequently passed the recertification audit in 2025.

The Company also engages a professional third-party information security consulting firm each year to conduct assessments of information security policy implementation and resource allocation activities, providing professional information security consulting and security assessment services. In addition, the Company has implemented mechanisms such as Advanced Persistent Threat (APT) [Note 1] detection, Endpoint Detection and Response (EDR) [Note 2], an Information Security Event Management Platform, Data Loss Prevention (DLP) mechanisms, Managed Detection and Response (MDR) monitoring services, and outsourced Security Operations Center (SOC) services to establish comprehensive cyber threat detection, early warning, and monitoring capabilities. In 2025, the information security consultant reported the results of the annual assessment of information security policy implementation and resource allocation activities to the Board of Directors once and conducted one hour of information security training for directors. The training covered ransomware threats and fintech risk management.

In addition to obtaining certification for the ISO 27001 Information Security Management System, the Company regards business continuity management as a key operational strategy. Beyond strict compliance with applicable regulations, the Company obtained certification for the BS 10012 Personal Information Management System and the ISO 22301 Business Continuity Management System in 2023, both of which remained valid in 2025. Through these certifications, the Company maintains its information security management framework at a high standard, strengthens cyber threat detection, early warning, and monitoring capabilities, continuously enhances management performance, and further reinforces its information security incident response capabilities and business continuity resilience.

Note1: An Advanced Persistent Threat (APT) refers to a prolonged and targeted cyberattack in which an attacker employs various techniques and methods to continuously infiltrate a target system over an extended period, with the objective of obtaining sensitive information, gaining control of systems, or disrupting system operations. Accordingly, effective security measures are required to prevent, detect, and respond to such threats.

Note2: Endpoint Detection and Response (EDR) is a new-generation security technology designed to protect endpoint devices, such as desktop computers and laptop computers. Through real-time detection and response measures, it helps reduce the risk of malicious attacks.

Information Security Protection Enhancement Measures

With respect to information security monitoring, the Company has established a multi-layered information security monitoring framework. Through an outsourced Security Operations Center (SOC), the Company conducts around-the-clock monitoring of its network environment. Combined with technologies and tools such as Advanced Persistent Threat (APT) detection, Endpoint Detection and Response (EDR), an Information Security Event Management Platform, and Data Loss Prevention (DLP) mechanisms, the Company is able to detect, analyze, and respond to various information security threats in real time, thereby ensuring the continued secure operation of its information systems. In 2025, the Company continued to conduct information and communications security assessments and engaged PwC Smart Risk Management Co., Ltd. as the external assessment provider. In accordance with the "Risk Management Self-Regulatory Rules for Securities Firms' Information and Communications Systems and Service Supply Chains," the "Cybersecurity Self-Regulatory Rules for Securities Firms," the "Information and Communications Security Self-Regulatory Rules for Emerging Technologies," and the "Information and Communications System Security Protection Baseline Self-Regulatory Rules" issued by the Taiwan Securities Association, the Company conducted a comprehensive review of its information security governance framework. The assessment scope covered evaluated computer systems, penetration testing targets, security configuration reviews, and sampling inspections for malware detection, among other areas. Based on the assessment results, recommendations for improvement were provided. The Company has formulated improvement plans in accordance with established priorities and will continue to strengthen the effectiveness of its information security governance, ensuring that its information security protection capabilities advance in step with business development.

In 2025, the Company experienced no information leakage incidents, no information leakage incidents involving personal data, and no customers were affected by any information leakage incidents.

Implementation of Information Security

To strengthen information security awareness throughout the organization, the Company conducts monthly awareness campaigns by disseminating engaging educational content to all employees through email communications and computer desktop wallpapers. In addition, information security training courses are arranged annually based on employee roles, including general employees, information security professionals, and senior management. In 2025, the completion rate for employee information security training reached 100%. Training topics included information security trends, awareness of social engineering attacks, social media security controls, protection of sensitive information, and supply chain (vendor) risks. The training also specifically covered "Deepfake Attack Awareness and Prevention." Through the sharing of real-world deepfake attack cases, employees gained a better understanding of fraudulent techniques and potential risks, thereby enhancing their vigilance and awareness. The training also provided practical techniques and tips for identifying deepfakes, including detecting anomalies in images and audio, verifying the authenticity of sources, and applying multi-layer verification mechanisms. These measures help reduce the likelihood of successful deepfake attacks and enhance the Company's overall capability to respond to emerging information security threats.

The Company conducts email social engineering exercises three times each year to test and continuously enhance employees' information security awareness. Employees who do not successfully pass the exercises are required to attend additional training related to email social engineering and complete it within a specified time frame. These measures are designed to strengthen employees' ability to identify social engineering emails and increase their vigilance against such threats.

◈ Information Security Education and Training Results

Employees	Number of employees required to attend training	Regulatory Required Training Hours	Total training hours
Regular Employees	3,267	3	9,801
Information Security Professionals	15	15	225

◈ Results of Email Social Engineering Exercises

Total Number of Participants	Number of Simulated Emails	Number of Non-conforming Results	Non-conforming Rate (%)
3,530	42,360	127	0.30%

Information Security Month Activities

In line with the Group's commitment to strengthening information security awareness, the Company actively promotes information security education and organized the third annual Group Information Security Month. Under the theme "Building a Security Culture: Everyone Is Part of the Defense," the Company invited renowned industry experts and academics to share insights with managers and employees on topics including data protection, the impact of generative AI, and Deepfake prevention. A total of three information security-related training sessions were held to help build a robust information security defense framework across the Group. Attendance exceeded one thousand participants on each of the three event days. Through these activities, the Company seeks to embed information security awareness into its corporate culture, ensuring that every employee possesses fundamental information security knowledge and actively participates in information security protection efforts. Only through collective participation can a strong line of defense be established to effectively mitigate a wide range of security threats.

Resources Invested in Information Security Management

In 2025, the Company invested a total of NT$83,400 thousand in information security, representing 4.14% of its total information technology budget. The Company is also concurrently evaluating the feasibility of obtaining information security insurance.

2025 Cybersecurity Investment

NT$ 83,400 thousand

Business Continuity Management

To mitigate the operational impact of major disasters (including, but not limited to, earthquakes and fires) or information system failures and to ensure the continued operation of critical business functions and activities, the Company has partnered with external consultants to maintain and enhance its ISO 22301 Business Continuity Management System. The Company has also established the "Business Continuity Policy," which was approved by the Board of Directors. The policy stipulates that the Company shall conduct business impact analyses and business continuity risk assessments to understand its business continuity capabilities and required mechanisms, establish appropriate recovery objectives for operational disruptions that reflect the level of disruption risk the Company can tolerate, and implement a business continuity management framework accordingly. In addition, the Company conducts regular self-assessments and management reviews to ensure the effectiveness of the management framework. The Company's ISO 22301 Business Continuity Management System continues to maintain third-party certification. The latest third-party surveillance audit was completed in March 2025, and the certification remains valid.

In accordance with the policy, the Company has established the "Business Continuity Management Team" and assigned dedicated personnel to plan business continuity policies, allocate security responsibilities, coordinate business continuity plans across the Company, promote the operation of the business continuity management framework, and reduce response and recovery times in the event of operational disruptions. In addition, all personnel with business continuity management responsibilities within the Company have received business continuity training and regularly participate in relevant exercises to ensure that all business continuity measures achieve their intended business continuity objectives. In addition to dedicated personnel, the Company has incorporated business continuity management training into its onboarding program for new employees and regularly conducts educational and awareness programs on emergency response and recovery plans to strengthen employees' understanding of the business continuity management framework.

Emergency Response and Recovery Plan Awareness Training

Training Hours	Number of Participants	Training Completion Rate
40 minutes	613	100 %

In addition to the training described above, and in accordance with the requirements of the ISO 22301 Business Continuity Management System, the Business Continuity Management Secretariat Team regularly plans and conducts alternate-site operation exercises. The scope of these exercises covers critical business functions with a Recovery Time Objective (RTO) of five days or less and includes the actual operation of external service activities. Through the simulation of operating environments and business processes, the Company verifies its recovery capabilities and strengthens coordination and operational continuity under alternate-site working arrangements, including, but not limited to, support activities related to Taiwan equity brokerage business processes. A total of one alternate-site operation exercise was conducted in 2025. The Company conducted the alternate-site operation exercise in accordance with its plan. Overall, the exercise proceeded smoothly, and all critical business functions were able to commence alternate-site operations within the prescribed time frame, demonstrating the fundamental effectiveness and feasibility of the current mechanism. However, the exercise revealed that there remains room for improvement in certain employees' familiarity with alternate-site operation activation procedures, role assignments, and the preparation of related resources, indicating opportunities for further optimization. In response to the findings identified above, the Company has implemented corresponding improvement measures, including reviewing and revising the business impact analysis tools and business continuity plans of each department to ensure alignment with required resource preparedness, as well as strengthening employee training, awareness programs, and exercise briefings. To date, the improvement measures have been implemented and completed in accordance with the established plan. Going forward, the Company will continue to validate the effectiveness of these measures through periodic exercises and follow-up reviews, aiming to further enhance its overall alternate-site operations and business continuity response capabilities.

The Company will continue to review and enhance key activities within its business continuity management framework, including, but not limited to, business impact analysis, risk assessments, business continuity strategies, business continuity plans, exercise programs, self-assessments, and management reviews, in order to improve the overall effectiveness of business continuity management.

2.3.3 Customer Information and Privacy Protection

To fulfill its obligations and responsibilities for the protection of customer information and privacy, while also enhancing customer service convenience and facilitating cooperation among entities within the KGI Group, the Company has established the "Customer Data Sharing Management Policy," "Personal Data Protection Management Policy," "Privacy Protection Notice," and related operating guidelines in accordance with the Personal Data Protection Act, the Guidelines for Information Sharing among Financial Institutions, and other applicable regulations. These policies and procedures are designed to safeguard customers' information and privacy rights while identifying and managing related risks.

The Company has engaged an independent and reputable external certification body to conduct a third-party audit of its BS 10012:2017 Personal Information Management System (PIMS). The Company has successfully passed the certification audit, and the certification remains valid.

Privacy Protection Risk Management

The Legal Compliance Department of the Company has completed the 2025 "Business Process Identification and Personal Data Inventory Operations" and "Risk Assessment Operations" in accordance with the "Personal Data Inventory Guidelines" and the "Personal Data Privacy Impact Analysis and Risk Assessment Guidelines." Based on the inventory and assessment results, the personal data risks involved in all of the Company's operational processes are effectively controlled.

To further ensure the thorough implementation of personal data protection, the Company has reviewed its personal data business processes. Upon review, it was confirmed that all departments had completed the "Personal Data Process Operational Risk Assessment Form" with reference to the aforementioned guidelines. Subsequently, the core team conducted risk prioritization and assessed the Company's acceptable level of risk. Finally, personnel designated by the Executive Secretary of the Core Team prepared the "Periodic Self-Assessment Report on the Personal Data Protection Management System" based on the aforementioned assessment results. After discussion by the Core Team, the report was submitted to and approved by the President. Through the above process, the Company has been able to effectively control the personal data risks arising from the aforementioned business processes.

To help the public understand how the KGI Financial Holding Group – including KGI Financial Holding, the Company, its subsidiaries, and third-party suppliers – uses and protects customers' personal data, and to provide customers with smooth and effective communication channels, please refer to the KGI Securities corporate website for the complete contents of the "Privacy Protection Notice" and the "Customer Information Confidentiality Measures Statement."

Privacy Policy Website

https://www.kgi.com.tw/zh-tw/others/privacy-policy

Customer Information Confidentiality Measures Statement

https://www.kgi.com.tw/zh-tw/others/confidentiality-statement

Customer Information and Privacy Protection Incident Handling and Audit Mechanism

01 Notification to the Responsible Unit

- ✓ Upon discovering a suspected personal data security incident, notify a member of the Personal Data Protection Core Team in the relevant department for identification and assessment.
- ✓ Upon confirmation of the incident, report it to the Executive Secretary of the Core Team.
- ✓ Convene a Core Team meeting to identify the responsible unit.

02 Implement Response Measures

- ✓ Take appropriate response measures based on the nature of the incident.
- ✓ Preserve the handling process and related records.
- ✓ Notify the data subject of the personal data breach, inform them of the facts of the incident and the response measures taken, and provide a dedicated consultation hotline.

03 Incident Resolution and Review

- ✓ Report on the resolution of the incident and follow up on the status of corrective actions.
- ✓ Depending on the circumstances, convene a post-incident review meeting to analyze the cause of the incident and discuss relevant corrective and preventive measures.

04 Audit Mechanism

- ✓ Personal data management is incorporated into the internal control and audit system.
- ✓ Regularly review operations involving the collection, processing, and use of personal data.
- ✓ Any violation of the management requirements shall be subject to disciplinary action in accordance with the "Employee Rewards and Disciplinary Procedures."

The Company has disclosed on its corporate website information regarding affiliated companies within the Group that may mutually utilize customer data (including names and contact information) and has provided a customer service hotline. If customers have any questions regarding privacy rights or other personal data rights and interests, they may contact the Company at any time. The Company will assist in coordinating with affiliated companies that mutually utilize customer data to carry out the necessary follow-up procedures. If any personnel of the Company discover a suspected personal data security incident, it shall be immediately reported to the dedicated personal data protection unit. Upon confirmation that a personal data security incident has occurred, appropriate response measures shall be taken immediately. After the personal data security incident has been investigated and confirmed, the Company shall promptly notify the affected parties, informing them of the details of the breach and the response measures implemented. In the event that a personal data security incident is deemed significant, the receiving unit shall simultaneously follow the reporting procedures outlined in the Major Incident Response Procedures and activate the emergency response plan. In addition, the Company is required, under its internal regulations, to report such major incidents to the competent authority within 72 hours of their occurrence, thereby ensuring more comprehensive protection of customers' privacy and rights.

Customer Information and Privacy Protection Breach Incidents

KGI Securities had one customer privacy-related complaint incident in 2025. Details are as follows:

Complaint Incident	Customer Service received a report from an external individual stating that, after purchasing a product through Shopee, a document containing personal data was found inside the product packaging and had been used as cushioning material. On July 31, 2025, the Taipei Branch immediately contacted the individual through Customer Services and visited the individual on August 4, 2025, to understand the circumstances of the incident. After retrieving the personal data document identified by the individual, the Company initiated an internal investigation.
Incident Description	It was suspected that during the COVID-19 pandemic, when branch personnel were working in staggered shifts, internally printed documents were not destroyed immediately after use and were mistakenly placed in a waste paper box instead of in a designated document disposal bin, resulting in the unauthorized disclosure of information.
Improvement Measures	1. Control of Waste Paper Recycling: Cleaning personnel have been instructed that, when tidying office premises, if any documents suspected to be Company documents are found, they must immediately submit them to a supervisor for review. If any employee is found to have failed to comply with document destruction requirements, the matter shall be reported for disciplinary action against the responsible individual. 2. Continue to promote awareness of the importance and seriousness of personal data protection: Requiring employees to properly safeguard reports and strictly follow document destruction procedures. Any improper handling or storage of documents, or failure to destroy documents in accordance with regulations, shall be reported for disciplinary action. 3. Reduce or Eliminate the Printing of Customer Reports: The settlement supervisor has been instructed to compile statistics on all reports currently being printed. The necessity of such reports and possible alternatives will be reviewed with the aim of reducing or eliminating the printing of customer reports. Where printing remains necessary, the use of such reports and their subsequent destruction shall be properly tracked and monitored.

CHAPTER 03

Intelligent Sustainable Finance

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3.1 Sustainable Finance

Sustainable Finance Vision and Commitment

KGI Securities adheres to the KGI Financial Holding Group's sustainable finance vision, the "Sustainable Finance Commitment," and is committed to providing financial solutions that balance economic value and sustainable impact for customers, employees, shareholders, and society. Through financial services such as professional underwriting advisory, financial advisory, and investment target recommendations for capital allocation, as well as proprietary activities including investment, research, and market making, KGI Securities focuses on generating stable long-term returns, ensuring that investors and shareholders receive reasonable returns, while continuing to leverage the influence of the financial system to drive positive environmental and social change.

Sustainable Finance Strategy Framework

To realize the Group's sustainability vision, KGI Securities fully integrates sustainability principles into its investment and financing activities, products, and service processes, adopting the following four key dimensions as the core strategies for advancing sustainable finance:

ESG Integration	Incorporate environmental, social, and governance (ESG) factors into investment and risk assessment processes to enhance the quality of investment and financing decisions.
Industry Management Principles	Establish differentiated management and prudent evaluation mechanisms based on the sustainability risks and opportunities of each industry.
Stewardship	Promote improved sustainability governance performance among investee companies through responsible investment, shareholder engagement, and stewardship activities.
Advancing Sustainable Finance Impact	Direct capital toward supporting low-carbon transition, climate adaptation, and industries and economic activities that create sustainable value.

Responsible Investment and Stewardship Practices

To align with international practices and support the government's sustainable investment policies, KGI Securities signed the "Stewardship Principles for Institutional Investors Compliance Statement" in 2018 and established its "Responsible Investment Policy" in 2021, formally incorporating ESG factors into its investment decision-making and risk management processes.

To strengthen carbon emissions management across its investment and financing portfolio and accelerate the transition to net-zero, KGI Securities officially joined the "Partnership for Carbon Accounting Financials (PCAF)" in 2023. By adopting internationally recognized methodologies for measuring and managing financed emissions, the Company has progressively established a climate change risk management framework. At the same time, the Company follows the international standards established by the "Science Based Targets initiative (SBTi)" and promotes net-zero emissions targets across its entire asset portfolio through concrete actions. The Company continues to direct capital toward supporting low-carbon and sustainable transitions, thereby laying a solid foundation for achieving its long-term net-zero vision.

KGI Securities actively fulfills its stewardship responsibilities by continuously monitoring the operational performance of investee companies, exercising voting rights through participation in shareholders' meetings, and engaging in appropriate and constructive dialogue and interaction with investee companies. With its comprehensive governance framework and transparent information disclosure practices, the Company was once again selected for the TWSE's "2025 List of Institutional Investors with Outstanding Stewardship Disclosure." The Company also achieved full marks in both the "Policy and Compliance Statement" and "Practice and Disclosure" categories, further demonstrating its strong capabilities and long-term commitment to sustainable governance and the institutionalization of responsible investment practices.

3.1.1 Responsible Investment

When formulating responsible investment decisions, KGI Securities actively incorporates the objective of "enhancing positive social and environmental impact" into the screening and evaluation of investment targets. The Company also uses investee companies' ESG ratings, carbon emissions data, SBTi target validation results, and ESG-related financial disclosure reports as the basis for assessing their positive impact on the environment and society.

When evaluating "non-short-term trading" investment targets, the Company follows the requirements of its "Responsible Investment Policy" by considering ESG factors, including environmental factors such as carbon emissions and the establishment of Science Based Targets (SBTs) for emissions reduction; social factors such as labor rights and social contributions; and governance factors such as board structure and transparency of information disclosure. In addition, investment targets that have committed to or established Science Based Targets (SBTs) for carbon reduction are used as a core quantitative indicator within the investment portfolio. Upon review of the 2025 investment portfolio, the carrying amount of investments in targets with Science Based Targets (SBTs) achieved the annual investment objective of increasing by NT$1 billion. When subsequently screening investment targets, the Company excludes investments involved in tropical rainforest logging, the tobacco industry, polychlorinated biphenyls (PCBs), nuclear weapons, and other items included on the Company's approved negative screening list, all of which are considered to have significant adverse environmental or social impacts. At the same time, the Company prioritizes directing capital toward enterprises that have established specific net-zero targets, issued sustainable bonds, or actively promoted low-carbon transition initiatives. Through measurable criteria, the Company verifies the positive environmental and social contributions of its investment targets, thereby achieving responsible investment objectives that balance financial returns with sustainable impact.

The Company's "Responsible Investment Policy" is implemented in the investment decision-making process for proprietary trading in accordance with the following procedures, to ensure the effective execution of responsible investment and sustainable finance-related policies.

step 01

Screening

✓ **Implementation of Responsible Investment and Stewardship:**
Establish the "Responsible Investment Policy" to incorporate ESG sustainability assessment factors into the investment decision-making process, fulfill stewardship responsibilities, and regularly report the implementation status of ESG investments to the Board of Directors, thereby enabling management to further evaluate and manage related investment policies.

✓ **Establishment of a Negative Screening List:**
Investment targets whose principal business activities involve environmental pollution, social controversies, or poor corporate governance shall be excluded from direct investment.

step 02

Assessment and Management

✓ **Management of Conflicts of Interest:**
Through the "Employee Conduct Guidelines," the "Procedures for Controlling Transactions by Insiders and Their Related Parties," the "Guidelines for Pre-Trade Reporting by Specified Insiders," the "Code of Ethical Conduct," and the "Related-Party Transaction Guidelines," the Company identifies and prevents potential conflicts of interest between employee conduct, related-party transactions, and investment targets within the organization.

✓ **Incorporation of ESG Risk Indicator Assessments:**
The ESG risk assessment of investments is conducted based on the listing location of the securities or the specific transaction method, with reference to externally available and reputable ESG ratings or scores issued by ESG rating agencies, publicly disclosed information regarding the issuer's ESG implementation, and information on regulatory sanctions imposed by competent authorities. Such information serves as the basis for investment evaluation and trading decisions.

✓ **Post-investment Management:**
Following an investment, the Company will regularly review and assess the ESG risks associated with the investment target as a basis for adjusting its investment positions. If an investment target becomes subject to the exclusion criteria set forth in the negative screening list or is assessed as having a high ESG risk, enhanced control measures shall be implemented.

✓ **Stewardship Voting Policy:**
The Company will continue to monitor investee companies, attend their shareholders' meetings, and express its views on relevant proposals.

step 03

Engagement

✓ **Engagement with Investment Targets:**
Actively engage in dialogue and interaction with investee companies or advisory clients. Through direct engagement, the Company seeks to understand the decision-making processes of investee companies, gain deeper insight into their ESG-related decisions, and provide corresponding recommendations and improvement measures, thereby promoting ESG principles externally.

Stewardship Outcomes

KGI Securities regularly publishes the "KGI Securities Co., Ltd. Voting Records for Participation in Investee Companies" and actively participates in the governance of its investee companies. In 2025, the Company achieved a 100% participation rate in shareholders' meetings of domestic listed, OTC-listed, emerging, and public companies. Its engagement activities included 4,245 telephone conferences and in-person meetings, 749 email notifications, participation in 851 investor conferences, and attendance at 1,107 annual shareholders' meetings or significant extraordinary shareholders' meetings. Through these activities, the Company actively communicated with the management teams of investee companies to gain a deeper understanding of, and exchange views on, the risks and strategies facing their industries, further demonstrating the Company's strong commitment to the internal governance of its investee companies.

For the KGI Securities Co., Ltd. "Stewardship Principles," its 2025 compliance status, and related disclosure information, please refer to the Stewardship section of the Company's official website

https://www.kgi.com.tw/zh-tw/stewardshi

Stewardship Mechanisms

When conducting stewardship assessments of investee companies, KGI Securities evaluates different asset classes with reference to relevant indicators and standards. For investments involving equity securities listed on Taiwan's centralized market, the Company primarily considers the results of the Taiwan Corporate Governance Evaluation, ratings or scores issued by domestic and international ESG rating agencies published on the Taiwan Depository & Clearing Corporation's "ESG IR Platform" (including domestic corporate governance evaluation results), and other ESG scoring indicators. The Company also conducts ESG risk assessments by collecting information such as sustainability reports and ESG-related disclosures of listed companies published in the Corporate Governance section of the MOPS. In addition, available information regarding domestic ESG-related regulatory sanctions is taken into account in the overall assessment of whether an investment target is exposed to significant ESG risks. Other reference indicators include ESG ratings issued by internationally recognized rating agencies such as MSCI and Sustainalytics.

With reference to the aforementioned indicators and standards, the Company is able to apply quantitative methods to assess whether investee companies have fulfilled their responsibilities in environmental protection, corporate integrity, and social responsibility. Through the allocation of capital, the Company seeks to put sustainability principles into practice and, through stewardship activities, directly or indirectly reduce the sustainability-related risks associated with investee companies' operations. Engagement topics include, but are not limited to, the following ESG-related matters:

Environmental (E)

Emphasize climate change issues by encouraging clients to establish carbon reduction targets, pay attention to biodiversity and natural ecosystem issues, focus on resource management, and avoid environmental pollution.

Social (S)

Emphasize human rights and equality, promote the prevention of sexual harassment, and encourage participation in public welfare and charitable activities.

Governance (G)

Emphasize ethical business conduct, implement sustainable governance practices, and support participation in ESG-related initiatives.

If, upon assessment, an investee company is found to have significant ESG-related anomalies or special circumstances, the business unit responsible for the investment target shall provide an explanation of the material anomalies and the corresponding response measures. Where appropriate, engagement actions shall be initiated to exercise the Company's influence and determine subsequent investment strategies. In addition, based on the results of the aforementioned ESG sustainability questionnaire, the Company uses items with relatively high non-implementation rates as reference topics for future engagement with investee companies and periodically inquires with their management regarding the status of implementation, thereby enhancing investee companies' awareness of stewardship responsibilities.

Practical Engagement Cases:

In 2025, while providing advisory services for multiple sustainability transition projects, KGI Securities identified certain advisory clients and investment targets that had not yet established climate change action plans or sustainability transition goals. Through its engagement mechanism, the Company communicated with these entities, encouraging and assisting them in formulating concrete and feasible transition strategies to enhance their resilience in addressing climate change and sustainability-related risks. Specifically, based on each company's operational characteristics and industry context, the Company recommends that investee enterprises undertake the following actions: establish Science Based Targets (SBTs) for carbon reduction, progressively develop carbon inventory and management mechanisms across their supply chains, enhance the completeness and transparency of ESG-related disclosures, and evaluate participation in relevant international sustainability initiatives or organizations in order to align with global sustainability governance trends. The Company also continuously monitors the sustainability transition progress and implementation efforts of engaged companies and incorporates the relevant outcomes into its investment evaluation and management considerations. Where necessary, the Company will appropriately adjust its investment strategy based on the progress and effectiveness of transition implementation.

Reason for Engagement

In 2025, the business unit manager of KGI Securities, together with managers from the Group company KGI SITE and managers from Mega Funds and Capital Investment Trust Corporation, jointly engaged with the Investor Relations Department manager and ESG team of Company D. The engagement focused on whether Company D had implemented an Extended Producer Responsibility (EPR) system and producer recycling mechanisms. Through this engagement, the participants sought to gain a deeper understanding of Company D's specific environmental practices and improvement progress in order to assess its sustainability risk management capabilities, which would serve as an important reference for investment decision-making.

Company D is a global supplier of electronic equipment whose products are distributed across numerous countries. Its operations have significant environmental impacts, particularly with respect to electronic waste recycling and the management of hazardous substances. As environmental regulations become increasingly stringent worldwide, companies that fail to respond appropriately may face challenges such as regulatory compliance risks, damage to brand trust, and disruptions to their supply chains.

Engagement Process

The managers of KGI Securities, KGI SITE, Mega Funds and Capital Investment Trust Corporation, and Company D engaged in a joint discussion on the following matters:

- ✓ Company D has adopted the UL 2799 Zero Waste to Landfill Standard, with multiple facilities having obtained Platinum-level certification. Its waste diversion rate has reached 99%, and the company has implemented a number of waste reduction initiatives. In addition, it promotes waste reduction through value chain collaboration and estimates product recovery rates, with the current global average recovery rate standing at approximately 15%. From a governance perspective, Company D has established a hazardous substances management policy, is actively phasing out toxic materials, and has adopted the GreenScreen assessment standard.
- ✓ Company D has demonstrated a high level of commitment and proactive action across the environmental, social, and governance dimensions, particularly through its strong foundation in waste management, the phase-out of hazardous substances, regulatory compliance, and the promotion of a circular economy. To further strengthen the depth of Company D's sustainable development efforts and external impact, KGI Securities recommended that Company D implement more robust product recovery tracking mechanisms and an Extended Producer Responsibility (EPR) system to enhance recovery rates and transparency. Additionally, KGI Securities advised that Company D publicly disclose its progress in phasing out hazardous substances and the results of safety assessments for alternative materials, thereby improving information disclosure and its capacity to respond to regulatory requirements.

Engagement Outcomes

Company D committed to achieving a 100% waste diversion rate by 2025. In terms of value chain management, it has collaborated with suppliers to promote initiatives such as packaging reuse and manufacturing waste reduction, demonstrating tangible actions toward resource circularity. Company D has also publicly disclosed its product carbon footprint and Life Cycle Assessment (LCA) results and obtained ISO 14067 and ISAE 3000 verification, indicating that its alternative materials have been evaluated for environmental safety. In addition, the company has initiated an inventory of PFAS substances and strengthened collaboration with suppliers to collect substance disclosure information in response to increasingly stringent environmental regulations in the European Union and the United States. This engagement enhanced Company D's credibility and international competitiveness in sustainability matters, while further strengthening its corporate image and international recognition. The impacts on various stakeholders are as follows:

01 Shareholders	Ensure regulatory compliance and maintain a strong corporate reputation, thereby enhancing the Company's sustainability ratings and investment attractiveness.
02 Customers	Strengthen confidence in product safety and environmental responsibility, thereby enhancing their willingness to engage in business relationships.
03 Suppliers	Promote raw material upgrades and sustainable transformation, while fostering a shared commitment to responsibility.
04 Employees	Improve workplace safety and enhance employees' sense of corporate identity and organizational stability.
05 General Public	Reduce environmental pollution and hazardous substance emissions, thereby promoting social well-being.

The business supervisor of KGI Securities' Capital Markets Department has maintained ongoing and constructive engagement with Company D. Company D has demonstrated a high degree of cooperation and willingness to improve, while possessing a strong ESG foundation, thereby meeting the objectives established for this engagement. If Company D continues to strengthen its recycling mechanisms and information disclosure practices, it will support a higher evaluation rating and increased portfolio allocation by KGI Securities in its investment decision-making process.

Stewardship Initiatives

In addition to engaging with advisory clients on their sustainability transition efforts, KGI Securities continues to organize industry forums and publish industry trend research reports. Through cross-sector project collaboration and ongoing communication mechanisms, the Company shares sustainability development trends, industry practices, and market developments with clients, investors, and other stakeholders. In doing so, it strengthens stakeholder engagement, promotes the principles of stewardship and sustainable development, and jointly advances economic growth and social well-being.

KGI Securities Investment Forum

The Company regularly holds thematic investment forums on a quarterly basis, conducting a total of four forums in 2025. These forums focused on key industry development trends and investment perspectives, helping investors and enterprises gain insights into medium- and long-term industry dynamics, and reinforcing the role of finance in supporting the development of the real economy. The themes of the 2025 forums aligned with the government's "AI New Ten Major Infrastructure Projects Initiative," focusing on key strategic and trusted industries identified under the policy, including AI smart applications, AI chips, silicon photonics and Co-Packaged Optics (CPO) technologies, and intelligent robotics. These forums guided market attention toward industries with strong long-term growth potential and supported the nation's digital transformation and industrial upgrading efforts.

"The Restructuring of Tariffs and New Global Industrial Investment Opportunities" Thematic Forum

In addition to its regularly scheduled investment forums, the Company hosted a thematic forum in 2025 focusing on the impact of the restructuring of the global tariff system on industrial deployment and investment decision-making. From the perspectives of corporate governance, supply chain resilience, and sustainable investment, the forum explored how enterprises can identify new investment opportunities with long-term value and sustainability amid evolving international policies and industrial transformation trends.

Industry Trend Research Reports

Through the professional research team of its subsidiary, KGI Securities Investment Advisory, the Company regularly conducts research on key industries and sectors associated with supporting economic activities and publishes related research reports. These reports serve as important references for enterprises in formulating sustainability strategies and for investors in evaluating sustainable investment opportunities. More than 160 research reports were published during 2025.

Engagement Activities for Sustainable Economic Activities

In 2025, KGI Securities calculated, in accordance with the second edition of the "Reference Guidelines for Identifying Sustainable Economic Activities" issued by the FSC, that 10.46% of its long-term investment portfolio was subject to the Guidelines, of which 10.34% qualified as compliant. Among underwriting and advisory clients, 26 cases were subject to the Guidelines, representing an aggregate amount of NT$25.002 billion, while 12 cases qualified as compliant, representing an aggregate amount of NT$9.155 billion. As the implementation of the Guidelines is still in its early stages, the Company will continue to leverage the engagement influence of the financial industry to assist its underwriting and advisory clients. Through the ongoing application of the FSC's "Reference Guidelines for Identifying Sustainable Economic Activities," the Company conducts preliminary assessments of its underwriting and advisory clients as well as its long-term investment targets. It then further assists applicable underwriting and advisory clients and long-term investment targets in actively addressing transition challenges. In June 2026, the Company and KGI Life Insurance conducted a joint engagement with an investment target in the textile industry, discussing climate change mitigation measures and approaches to transitioning toward a circular economy in accordance with the "Reference Guidelines for Identifying Sustainable Economic Activities," while also gaining an understanding of the challenges currently faced by the company.

Responsible Investment Outcomes

Specific Responsible Investment Results in 2025 (disclosure of the total number of cases and aggregate amounts for the top ten industries based on the industry classification and subcategory codes announced by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan)

Subcategory Code	Subcategory Name	Number of Cases	Amount (NT$ millions)	Percentage of Investment Amount
640	Financial Services Industry	55	24,799.25	20.72%
261	Semiconductor Manufacturing Industry	143	22,766.47	19.02%
651	Life Insurance Industry	13	16,211.72	13.54%
271	Computer and Peripheral Equipment Manufacturing	106	7,646.76	6.39%
649	Other Financial Services Industry	7	7,572.06	6.33%
660	Securities, Futures, and Financial Auxiliary Services Industries	11	5,886.50	4.92%
269	Other Electronic Parts and Components Manufacturing	74	4,131.40	3.45%
610	Telecommunications Industry	15	3,290.95	2.75%
263	Printed Circuit Board Manufacturing Industry	57	3,200.52	2.67%
350	Electricity and Gas Supply	8	2,418.71	2.02%
Total Number and Amount of Investments of the Top Ten Industries		489	97,924.33	81.81%
Total Number and Amount of Investments		1,713	119,695.39	100%

Due to the substantial volume of daily investment transactions executed within the Company's investment portfolio, it is currently difficult to fully disclose detailed records of all investment purchases and sales for the entirety of 2025. Therefore, the responsible investment results disclosed above are based on the Company's inventory holdings (including hedging positions) as of December 31, 2025. The disclosed data were compiled after analyzing the holdings by industry category to ensure that all information complies with the current Responsible Investment Policy. Going forward, the Company will continue to adhere to its Responsible Investment Policy, balancing operating performance with sustainable development responsibilities, and will continue to develop measures for the comprehensive disclosure of investment performance.

Sustainable Bond Investments

Among the responsible investment results disclosed above, KGI Securities has actively incorporated sustainable bonds into its bond investment portfolio. As of the end of 2025, the Company had invested in three sustainable bonds, one of which was a green bond recognized by TPEx (bond code: FR001400WI07), with a par value investment of NT$1,100,330,000, representing 3.5% of the total par value of the bond investment portfolio [Note]. The Company will continue to increase the proportion of investments in sustainable bonds, directing capital toward enterprises that generate environmental or social benefits and implementing its Responsible Investment Policy.

Note: Bond investment positions classified as "non-short-term trading" are included in the 2025 responsible investment results.

3.1.2 Financial Products and Services

Measures for Incorporating Sustainability Transition Assessments into Underwriting Advisory Engagements

When acting as the lead underwriter for an engagement, KGI Securities not only complies with the relevant requirements for filings or applications submitted to the competent authorities, but also proactively communicates with the company receiving advisory services to review whether it has disclosed its ESG implementation status in accordance with regulations, whether it has been involved in any significant environmental incidents or related penalties, and to assess its improvement efforts. Through these measures, the concept of sustainability transition is incorporated into the advisory process. In addition, KGI Securities reviews publicly available information related to the underwriting advisory engagement to gain a comprehensive understanding of the company's greenhouse gas emissions, the challenges it faces in the decarbonization process, and its potential response strategies. Following a comprehensive assessment, equity underwriting services may proceed only if no relevant risks are identified. Specific measures include:

1. Encourage and urge companies receiving advisory services to promote and prioritize sustainable development, and encourage them to appropriately disclose their sustainable development initiatives and implementation status in the prospectus.
2. Assess the ESG implementation progress of companies receiving advisory services from various perspectives:

Environmental Issues	Social Issues	Corporate Governance
Establishing and implementing appropriate environmental management systems, improving energy efficiency, assessing climate change-related risks and opportunities, conducting greenhouse gas inventories and management, conducting water consumption inventories and management, and conducting waste generation inventories and management.	Human rights protection, employee welfare measures, employee safety and working conditions, employee training, consumer protection and customer rights, and supplier management.	Board composition and responsibilities, director election procedures, internal division of functions and responsibilities, stakeholder communication channels, and information disclosure.

Anti-Greenwashing Measures for Financial Products

The ESG fund products offered on KGI Securities' website consist of "environmental, social, and governance (ESG)-related thematic securities investment trust funds issued by securities investment trust enterprises" and "offshore ESG-related thematic funds offered and distributed by master agents." These products are managed in accordance with the requirements set forth in the FSC's Letter Jin-Guan-Zheng-Tou-Zi No. 1100362463 dated July 2, 2021, and Order Jin-Guan-Zheng-Tou-Zi No. 11003655363 dated January 11, 2022, respectively. Issuing or fundraising institutions are required to fully disclose, in the investor prospectus, matters including investment objectives and evaluation criteria, investment strategies and methodologies, and investment allocation ratios. For ESG equity products, relevant information is provided with reference to the "ESG Scores" available in the Bloomberg database. Information relating to the aforementioned financial products is disclosed and explained on the Company's website. When promoting investment products and providing financial services, the Company follows the "Guidelines for Financial Institutions on Greenwashing Prevention" and ensures that relevant information regarding financial products and services is fully and clearly disclosed to investors. The Company also ensures the accuracy, completeness, comprehensibility, and comparability of related disclosures and statements to avoid conveying misleading information that could misinform investors.

To ensure that sustainability-related financial product disclosures are authentic and reliable, KGI Securities refers to the competent authority's "Operation Directions for Sustainable Bonds" during the execution of sustainability bond underwriting engagements, thereby implementing responsible investment practices and leveraging the influence of securities firms: I. With respect to the issuer's sustainability framework and progress, KGI Securities provides guidance and oversight to ensure that the proceeds of the issuance are used for purposes that generate substantive environmental or social benefits, and that all relevant project documentation is prepared in accordance with applicable regulations. II. KGI Securities obtains an opinion letter from an independent third-party assessment institution regarding the reasonableness of the issuer's proposed use of proceeds and estimated benefits, aligning with the International Capital Market Association (ICMA) Sustainable Bond Guidelines and principles, thereby supporting the bond's eligibility for recognition as a sustainable development bond. III. Upon completion of the engagement, KGI Securities regularly tracks the issuer's use of proceeds and the achievement of the intended benefits. The results serve as a reference for increasing or adjusting investment positions and are communicated to investors who have subscribed to or hold positions in the bond, as appropriate.

Operating Results of Sustainability-Related Products or Services

All equity underwriting engagements undertaken by KGI Securities are subject to the completion of relevant review checklists required by the TWSE and the TPEx to confirm that there are no material risks relating to the issuer's operations, financial condition, or corporate governance. Since 2023, KGI Securities has further enhanced its evaluation process by assessing the sustainability performance of underwriting engagements, including environmental issues, such as energy use, climate change, greenhouse gas emissions, water resource management, and waste management; human rights issues, such as human rights protection, employee welfare measures, occupational safety and health practices, customer rights, and supplier management policies; as well as evaluating whether the issuer has been involved in any significant environmental incidents.

In addition, as there are currently no domestic regulations that explicitly define sustainable development equity underwriting and advisory service engagements, the Company has, for engagements undertaken in 2025, independently identified advisory clients whose business philosophies and operations relate to energy conservation and carbon reduction, energy and water resource management, recycling and reuse, green manufacturing processes and product innovation, and environmental certifications, and which actively align with the SDGs to reduce environmental impacts while also taking into consideration employee welfare, social responsibility, and sustainable governance. These engagements have been adopted as the Company's disclosure standard for sustainable development equity underwriting and advisory service engagements. Should domestic regulations or competent authorities issue explicit guidelines or requirements regarding sustainable development engagements in the future, the Company will comply with such requirements, adjust its statistical standards accordingly, and publicly disclose the relevant information.

◈ Total number of sustainable equity underwriting engagements undertaken in 2025, underwriting amounts, fee income, and industry distribution (disclosing the underwriting amounts of engagements in the top ten industries based on the industry classification and medium-category codes published by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan)

Industry Category	Number of underwriting engagements	KGI Securities underwriting amount (NT$ thousand)	Fee income (NT$ thousand)
26 Electronic Parts and Components Manufacturing	7	7,364,958	60,891
20 Manufacture of Pharmaceuticals and Medicinal Chemical Products	1	3,362,926	137,666
29 Machinery and Equipment Manufacturing	4	2,044,188	16,962
67 Real Estate Development	2	1,094,367	8,923
12 Wearing Apparel and Clothing Accessories Manufacturing	2	707,750	8,192
33 Other Manufacturing Industries	1	562,800	7,050
64 Financial Services Industry	1	427,137	6,067
Total Sustainable Equity Underwriting Engagements	18	15,564,126	245,751
Total Equity Underwriting Engagements	36	26,338,474	414,976
Proportion of Sustainable Development Engagements	50%	59.09%	59.22%

Note: Sustainable equity underwriting projects conducted in 2025 were limited to the seven designated industry categories.

Sustainable finance advisory service engagements undertaken in 2025 (disclosing the engagement amounts of the top ten industries based on the industry classification and subclass codes published by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan)

Subcategory Code	Subcategory Name	Amount (NT$ thousands)
464	Wholesale of Machinery and Equipment	3,900
292	Other Special-purpose Machinery Manufacturing	2,580
269	Other Electronic Parts and Components Manufacturing	2,550
200	Manufacture of Pharmaceuticals and Medicinal Chemical Products	2,230
285	Domestic Appliances Manufacturing	1,800
264	Optoelectronic Materials and Components Manufacturing	1,500
89	Other Food Manufacturing	1,400
631	Manufacture of Non-alcoholic Beverages	1,200
259	Other Fabricated Metal Products Manufacturing	1,200
200	Manufacture of Pharmaceuticals and Medicinal Chemical Products	1,100
Others		8,092
Revenue from sustainability-related advisory services		27,552
Total advisory service revenue		28,112
Proportion of Sustainable Development Engagements		98%

Sustainable development bond underwriting engagements undertaken in 2025

As ESG issues continue to gain attention due to global trends and growing social awareness, the Company, while facilitating bond underwriting transactions to achieve the funding objectives of issuers and the capital allocation goals of investors, actively engages with potential issuers and investors to promote various types of sustainable development bonds. In addition, with respect to the use of proceeds, the Company encourages and assists issuers in identifying a broader range of applications that generate positive environmental and social impacts. The scope of sustainable development bonds underwritten and promoted by the Company is based on TPEx's Sustainable Bond Guidelines and includes bonds that have obtained qualification recognition under the following four categories and have been listed on TPEx:

- ✓ **Green Bonds:** Bonds for which all proceeds are used exclusively to finance or refinance green investment projects.
- ✓ **Social Bonds:** Bonds for which all proceeds are used exclusively to finance or refinance social impact investment projects.
- ✓ **Sustainability Bonds:** Bonds for which all proceeds are used to finance or refinance both green investment projects and social impact investment projects.
- ✓ **Sustainability-Linked Bonds:** Bonds whose interest and principal payment terms are linked to the issuer's sustainability performance targets, provided that the principal amount is not subject to reduction.

For example, in 2025, KGI Securities acted as the lead underwriter for Chunghwa Telecom's first unsecured corporate bond issuance of 2025, assisting in the issuance of NT$3.5 billion in Sustainable Bonds with a five-year term and a coupon rate of 1.73%. All proceeds were allocated to green investment projects and social impact investment projects, making it a benchmark case for sustainable development bond underwriting in 2025.

The bond was issued in accordance with the frameworks of the ICMA Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainable Bond Guidelines (SBG), and obtained recognition as a Sustainable Bond from the TPEx. The proceeds were allocated to a range of sustainability initiatives, including energy conservation (replacement and upgrade of PSTN systems with IP-based equipment, expected to save more than 1.78 million kWh of electricity annually and reduce carbon emissions by 845 metric tons of CO_2e per year), greenhouse gas reduction (the EV100 electric vehicle initiative), biodiversity conservation (protection and restoration of five endangered plant species at operational sites, as well as the ecological health and balanced development of bamboo forests), and digital inclusion in rural areas (the construction and expansion of 5G base stations in 87 additional remote townships to improve network coverage). These initiatives generated positive environmental and social impacts simultaneously.

In addition to the benchmark case described above, the Company underwrote a total of 19 sustainable bond issuances in 2025 (including engagements in which it served as financial advisor), comprising 14 Green Bonds, 1 Social Bond, and 4 Sustainable Bonds. The total underwriting amount reached NT$17.097 billion. Detailed information is provided in the Appendix to this Report.

Statistical Items	Number of underwriting engagements	Underwriting Amount (NT$ thousands)
Sustainable Bond Underwriting Engagements	19	17,096,808
Total Bond Underwriting Engagements	150	152,054,862
Proportion of Bond Engagements	12.67%	11.24%

2025 Statistics on Market Making and Trading of Other Sustainability- and Green Energy-Related Products

The number and total value of market-making transactions conducted by KGI Securities in 2025 are as follows:

Market-making Instruments	Number of Cases	Amount (NT$ thousands)
ETF Market Making	252	312,730,703
Call (Put) Warrant Market Making	17,776	84,404,904

Among these, the Company issued a total of 1,271 call (put) warrants linked to green energy-related underlying assets in 2025. KGI Securities also served as a participating dealer for 27 ESG ETFs or other ETFs tracking ESG-related indices. The number of transactions and total transaction value are as follows:

Products	Amount	Amount (NT$ thousands)
Issuance of Call (Put) Warrant	1,271 (issues)	6,807,335
ETF Market Making/Participating Dealers	27 (issues)	17,766,644

Although the green energy-related products issued in 2025 described above did not include ETN products, the Company served as a participating dealer for 27 ESG-themed ETFs in 2025 and acted as a liquidity provider for 23 of those ETFs. Detailed information is provided in the Appendix to this Report.

Offshore Sustainability-Linked Structured Products

KGI Securities collaborates with offshore structured product issuers and, in 2025, promoted and offered for sale a number of Charitable Giving Notes and Green Notes. These products provide green financial services that simultaneously meet investors' asset allocation needs while supporting environmentally friendly and sustainable investment objectives.

Bond Type	Sustainable Investment Performance	2025 Transaction Notional Principal Amount (USD)
Green Note	The proceeds are allocated by the issuing institution to eligible green assets that generate environmental benefits, such as renewable energy, green buildings, energy efficiency, clean transportation, waste and water management, sustainable agriculture, and sustainable forest management.	62,009,467
Charitable Giving Note	For every US$10,000 of this type of offshore structured product purchased by an investor, the issuing institution donates US$5 to a charitable organization, creating a milestone of positive impact through collaboration and shared value among investors, public-interest organizations, and the broader community.	141,953,109

ESG-related Topic Funds

KGI Securities addresses sustainable development needs through its financial expertise and creates positive, measurable sustainability impacts through its core financial services. By continuously assessing market trends and investor demand, the Company actively develops and introduces third-party-issued sustainable investment products covering themes such as environmental protection, climate action, social inclusion, and corporate governance. These efforts help direct capital efficiently toward enterprises and projects that generate sustainable benefits. During the product selection and distribution process, KGI Securities incorporates relevant ESG assessment information and disclosure explanations to help investors fully understand the characteristics and potential impacts of sustainable investment products when making investment decisions. Through the promotional efforts and educational communication of its financial advisors, the Company also enhances clients' awareness of and participation in sustainable finance. ESG-related topic funds distributed in 2025 are as follows:

Sustainable Investment Product Category [Note]	Outstanding balance as of December 31, 2025 (NT$)
ESG Integration Investment Analysis	404,312,075
Best-in-class Investment Selection	69,085,473
Impact Investing	9,724,532
Others	44,015,127
Total outstanding balance of ESG funds distributed by KGI Securities	527,137,207
Total outstanding balance of funds distributed by KGI Securities	27,106,831,816

Note: The classification of investment products follows the relevant standards established by the Securities Investment Trust and Consulting Association of the R.O.C. (SITCA). Specifically, the ESG investment strategy categories defined by SITCA are based on the sustainable investment approaches established by the Global Sustainable Investment Alliance (GSIA).

3.2 Innovative Digital Services

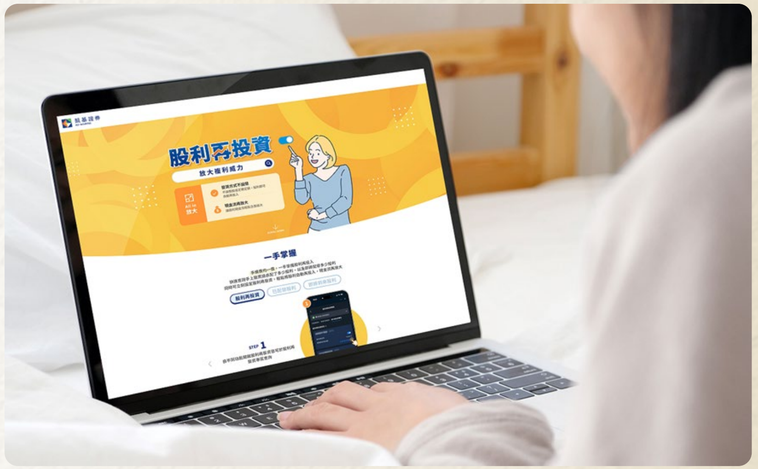
KGI Securities has always placed great importance on its clients' digital service experience and continues to enhance its digital platforms. The Company is committed to building a customer-centric investment ecosystem with the goals of digital process optimization and differentiated wealth management services. By providing innovative digital financial services that foster trust and deliver a personalized experience, KGI Securities leverages innovative technologies to proactively offer client-focused financial services, reinforcing its leadership position as a forward-looking securities firm that helps clients build a prosperous future.

To ensure that digital services continue to align with clients' actual needs, the Company regularly reviews client profiles and usage behaviors, including age demographics, risk tolerance levels, trading habits, and preferences regarding the use of digital tools. Based on the results of these analyses, the Company dynamically adjusts its financial product design, marketing content, and service channel strategies. During the year, the Company also held internal and external app user needs workshops, proactively inviting users from different demographic groups, including recent graduates, working-age adults, and senior citizens. Through one-on-one in-depth interviews, combined with scenario-based tasks and interactive prototypes, the Company observed users' operational processes and incorporated the findings into the enhancement planning for the Pocket e-Strategy platform. For younger client segments, the Company enhanced simulated trading and regular fixed-amount investment functions, while for senior client segments, it optimized voice input capabilities and large-font interface features. These efforts ensure that every digital innovation is developed with client needs as the starting point. All such initiatives are reported to the Fair Customer Treatment Committee for regular review of their implementation effectiveness.

In addition, in 2025, the Company launched a "Dividend Reinvestment Section," which enables investors trading in board lots and through regular fixed-amount investment plans to select securities and conduct investment simulations based on dividend reinvestment strategies, thereby creating a one-stop investment service experience. The Company also actively promotes electronic trading channels to investors in order to enhance the convenience and timeliness of transactions while supporting its environmentally friendly business strategy. In 2025, electronic trading accounted for 93.08% of KGI Securities' total annual transaction volume. Going forward, the Company will continue to promote electronic trading as an investment approach, encouraging investors to achieve maximum investment benefits while minimizing environmental impact.

Building a One-Stop Dividend Platform

- ✓ "Dividend Reinvestment": Whether for dividends from board-lot holdings or regular fixed-amount investment plans, investors can activate the reinvestment setting with a single click. Upon receiving cash dividends, the dividends are automatically reinvested into the same investment product, enabling investors to accumulate assets over the long term and enhance the benefits of compounding.
- ✓ "My Dividend Inquiry": Investors can review their historical dividend distribution records as well as upcoming dividend payments for their current holdings. If investors remain optimistic about the future performance of their holdings, they can activate the "Dividend Reinvestment" setting with a single click.
- ✓ "Dividend Section": This section integrates popular high-dividend securities, dividend calculation tools, and dividend calendars, making dividend investing and long-term wealth accumulation simpler and more convenient. For example, by selecting "Featured Topics," investors can easily access rankings of dividend yields or EPS for categories such as earnings growth stocks, high-EPS performers, top dividend stocks, and high-yield stocks, helping them quickly screen and identify suitable investment targets based on various indicators.



Building a one-stop dividend platform by launching the new "Dividend Reinvestment" service and other features to help clients grow their assets.

Convenient Financial Services

KGI Securities continues to enhance the client financial service experience by systematically promoting digital self-service functions and intelligent investment tools, comprehensively reducing the time required for application procedures and the cost of obtaining information. The Company has also established internal oversight mechanisms to regularly monitor implementation performance. All related digital service enhancement initiatives are incorporated into the Company's customer service quality management framework. The results of ongoing monitoring are reported to the relevant management levels and the Sustainability and Ethical Corporate Management Committee as a basis for further improvements, enabling the Company to continuously enhance the effectiveness of its customer services.

Services	Content Description	Internal Oversight Mechanism	Service Performance
Enhancement of Customer Self-service Channels	To provide clients with a more convenient digital experience, KGI Securities implemented a total of 55 enhancements across its trading systems, covering multiple aspects including trading convenience, information timeliness, and operational efficiency. Representative enhancements included the implementation of a real-time US stock quotation function within the sub-brokerage trading system, with prices updated multiple times per second; optimization of the search logic in Wealth e-Fortune; the addition of Quick e-IPO subscription and stock lending functions to the Pocket e-Strategy app; and the simplification of the supplementary documentation process for account openings through cross-industry partnerships within the account opening system. In addition, the Company launched a Dividend Center that provides comprehensive, transparent, and real-time dividend information, creating a one-stop dividend information platform. These enhancements significantly reduce the time required between obtaining information and executing transactions, effectively lowering transaction costs resulting from information delays.	Implementation effectiveness is monitored through quarterly reviews conducted by the Sustainability and Ethical Corporate Management Committee.	✓ APP enhancements or newly added services: » Sub-brokerage trading system – 4 » Wealth management system – 7 » APP – 25 » Online account opening – 9 » Other trading systems – 10
Development of Innovative Digital Financial Services	The Company actively develops innovative digital financial services and integrates diverse information tools to help investors make investment decisions with lower time and information costs. Specifically, the Company provides investors with an intelligent investment journey experience. During the stock selection stage, investors can use the Company's "Winner Stock Screener" to screen stocks based on their investment needs and strategic objectives. The AI Assistant within Pocket e-Strategy has been enhanced with key information from investor conferences and intraday market alerts, while links to the latest research reports are provided on watchlist and market information pages. Combined with personalized and precise notification services, investors can efficiently stay informed of changes in company fundamentals and market developments without having to search across multiple platforms, significantly reducing the time required to obtain investment information.	Implementation effectiveness is monitored through quarterly reviews conducted by the Sustainability and Ethical Corporate Management Committee.	✓ A total of five awards were received as follows: » Triple A Digital Awards 2025 – Best Mobile Brokerage Application in Taiwan Award » 2025 Wealth Management Awards by Wealth Magazine – Best Digital Intelligent System Award » Excellence Magazine 2025 Annual Excellence Securities Evaluation – Best Robo-Advisory Award » 2025 Want Want China Times Financial Services Award – Innovation Platform Award » 2025 National Brand Yushan Award – Best Product Award

Other Digital Innovation Services

Product / Service Name	Content Description	Product / Service Achievements
Social Media Management	✓ KGI Securities actively leverages widely used social media platforms such as LINE and Facebook to strengthen client communication and provide financial services that are more closely integrated into everyday life, thereby advancing the principles of financial inclusion. ✓ Through the KGI Securities LOHAS Investor LINE Official Account, the Company has successively introduced a variety of personalized and practical information services for investors, including: » Real-time news updates and KGI-selected video content, enabling investors to stay informed of market trends at any time; » Easy access to real-time news and investment research reports; » The Company has launched digital service modules such as "Electronic Business Card for Sales Representatives" and "My Sales Representative." Combined with the personalized interaction features of the LINE Official Account, these services help bridge the gap between clients and sales representatives and effectively enhance the accessibility of financial information. » As the first securities firm to collaborate with LINE in introducing a LINE MINI APP, the Company enables the public to conveniently access professional market information directly through LINE, reducing fraud risks while enhancing the accessibility of financial information.	✓ As of 2025, the KGI Securities LOHAS Investor LINE Official Account has exceeded 2 million followers, with 82,000 account linkages completed. ✓ As of 2025, a total of 185 posts were published on the official Facebook account, with the number of followers reaching 41,000. » Post views: 22.454 million » Post reach: Approximately 1.85 million users » Total post interactions: Approximately 15,000 » Fan page views: 69,000
	✓ Through the KGI Securities LOHAS Investor YouTube Channel, the Company publishes financial and investment cation videos aimed at engaging younger audiences. These videos provide introductions, explanations, and analyses of various investment products, helping young investors gradually develop sound financial management concepts.	✓ A total of 135 financial and investment education videos were published on the "KGI Securities LOHAS Investor" YouTube channel between January 1 and December 31, 2025.

Product / Service Name	Content Description	Product / Service Achievements
Online Customer Service	Through the "Web-Call" internet calling service and the "Intelligent Customer Service" platform, clients can connect directly to the customer service center with a single click or interact with Kelly, the intelligent customer service assistant. These diversified customer service tools enable clients' needs to be addressed quickly and efficiently in real time.	✓ By the end of 2025, the cumulative number of incoming Web-Call internet calls had exceeded 3,608. ✓ In 2025, the Intelligent Customer Service platform received inquiries from a total of 147,100 users and responded to 227,800 inquiries. Through machine learning, the accuracy rate of its responses reached 94%. By utilizing multi-turn contextual dialogue and sentiment detection mechanisms, the platform is able to respond quickly to client inquiries regarding products and various services.

Product / Service Name	Content Description	Product / Service Achievements
Digital Financial Inclusion Services	✓ Regular fixed-amount investment "Daily Deduction" service: Investors may choose any date of the month as their deduction date, providing greater flexibility for investment and financial planning. ✓ Introduction of the regular fixed-amount investment "Shopping Cart" function: Designed to meet the investment needs of younger investors and long-term stock savers, this feature makes placing investment orders as simple and convenient as shopping on an e-commerce platform. ✓ Provision of customizable "Strategy Stock Selection" services: Based on different categories such as fundamental analysis, chip analysis, and technical analysis, investors can easily complete stock screening with a single click or build their own investment portfolios. ✓ By expanding the scope of small-amount investment opportunities, the Company enables retail investors and younger client segments to participate more easily in investing, thereby advancing the objective of financial inclusion. ✓ Providing selected investment products and promoting them through marketing campaigns to benefit the investing public. ✓ KGI Securities has established a regular fixed-amount investment section on its official website, providing comprehensive and extensive information. https://www.kgi.com.tw/zh-tw/product-overview/etf-rsp-odd-lot ✓ Launch of services such as the "Dividend Calendar," "Dividend Reinvestment," and "Dividend Calculator," creating a one-stop dividend information platform that transforms dividends into assets and enhances the investment experience.	As of the end of 2025, the number of regular fixed-amount investment accounts had grown to 94,616.
Simulated Trading Function	To help young people enhance their knowledge of stock investment and understand the importance of trading risks before taking their first step into investing, the Pocket e-Strategy app includes a simulated trading feature. This feature is the first of its kind among domestic securities firms to integrate real-time information from the TWSE, allowing users to experience actual market movements during simulated trading. Its purpose is to enable every novice investor to become familiar with trading procedures, understand investment risks, and identify investment approaches that suit their needs before engaging in actual investment. This simulated trading function is available through the Pocket e-Strategy app to all users, regardless of whether they are KGI Securities clients.	As of December 31, 2025, a cumulative total of 14,051 users had registered for the simulated trading function. In addition, simulated trading competitions were jointly organized with eight educational institutions, including Taipei City University of Science and Technology, National Kaohsiung University of Science and Technology, Tamkang University, Ling Tung University, Minghsin University of Science and Technology, National Chengchi University, Yuanpei University of Medical Technology, and CTBC Business School, attracting a total of 1,413 participants.

Innovative Service Awards and Recognition

KGI Securities is committed to promoting a wide range of innovative financial services and continuously developing secure and reliable digital financial solutions based on client needs. In 2025, these efforts received significant recognition from various external institutions. Looking ahead, KGI Securities will continue to focus on enhancing customer experience and promoting sustainable business operations. The Company will actively advance innovations in financial technology, digital services, and management practices to provide sustainable financial solutions for clients, employees, shareholders, and society. Through its entrepreneurial spirit and innovation capabilities, KGI Securities aims to realize its vision of becoming a leading financial institution in Asia while helping clients achieve financial prosperity.

2025 Awards and Recognition for Innovative Services

- 2025 Wealth Management Survey by Wealth Magazine – "Best Wealth Management Award," "Best Digital Intelligence System Award," and other major awards
- China Times "Want Want China Times Financial Service Awards" – "Securities Industry – Innovation Category – Innovative Platform Award"
- Business Today "Wealth Management Bank and Securities Evaluation" – "Best Wealth Management Securities Firm Award - Excellence," "Best Robo-Advisory Award," "Best AI Application Award," and other major awards
- 4th Commercial Times Digital Finance Award – "Excellence Award for Digital Services."
- Commercial Times – "Trust Award" – Gold Award for "Best Wealth Management Trust Innovation by a Securities Firm" and Excellence Award for "Best Securities Trust Innovation"

3.3 Service Quality and Customer Relations

KGI Securities is committed to fostering a corporate culture that places great importance on financial consumer protection. Guided by its service philosophy of "treating customers with fairness and empathy, as we would ourselves," the Company adheres to the Ten Principles of Fair Customer Treatment, actively promotes accessible and customer-friendly financial services, and realizes the sustainable value of ethical business practices. In the FSC's 2025 Fair Customer Treatment Principles Evaluation, the Company was ranked among the top 25% of large full-service securities firms, demonstrating that its achievements in promoting customer-friendly financial services are ahead of its industry peers.

To further strengthen customer rights protection and service quality, the Company began implementing the ISO 10002 international standard for complaint management systems in the fourth quarter of 2023. A risk-based escalation and reporting mechanism was established, with oversight elevated to the Vice President level, to ensure the protection of financial consumers' best interests. In 2024, the Company successfully obtained certification from the internationally recognized third-party organization, the BSI, and completed its surveillance audit in July 2025. These efforts in fair customer treatment have received widespread external recognition. The Company's outstanding customer service quality was also recognized with the "Silver Award" in the securities industry category of the 2025 Taiwan Contact Center Awards. Going forward, the Company will continue to enhance the diversity and quality of its customer services and remain committed to improving the customer experience for every client.

In accordance with the ISO 10002 international standard for complaint handling systems, the Company has established a risk-based escalation and reporting mechanism, regularly analyzes the root causes of complaint patterns, and develops specific recommendations for improvement. Statistical analyses of complaint cases, reviews of complaint patterns, and the implementation status of corrective actions are reported quarterly to the Fair Customer Treatment Committee. In addition, formal reports were submitted to the Board of Directors on a quarterly basis throughout 2025, for a total of four reports, ensuring that management maintains a comprehensive understanding of customer complaint trends and effectively safeguards the rights and interests of financial consumers. In addition, the Company has completed revisions to its "Customer Complaint and Dispute Handling Policy" and continues to strengthen its mechanisms for handling customer complaints and dispute cases. Relevant internal regulations and operating procedures have also been updated to ensure that the principles of fair customer treatment are embedded within the corporate culture and implemented in daily operations, thereby enhancing the protection of financial consumers' rights and interests and improving service quality.

KGI Securities was recognized for ranking among the top 25% of firms in the Fair Customer Treatment evaluation. FSC Chairman Peng Jin-Long (right) presented the award, which was accepted by KGI Securities Chairman Hsu Tao-Yi on behalf of the Company.

Customer Service Strategies and Measures

KGI Securities has established a regular review mechanism for customer characteristics and needs to ensure that its financial products and services remain closely aligned with clients' actual requirements. Through a multi-dimensional approach, the Company systematically develops a comprehensive understanding of its customer base and, based on the results, continuously adjusts product design, marketing strategies, service channels, and dispute resolution approaches. This ensures that all service-related decisions are centered on customer needs. To ensure that services are more closely aligned with customer needs, the Company regularly analyzes factors such as clients' age profiles, risk tolerance levels, asset sizes, trading behaviors, and preferences for using digital tools. Based on these characteristics, clients are categorized into different customer segments, including younger clients, senior clients, general investors, and high-net-worth clients. This enables the Company to understand the distinct needs and preferences of each segment and provide differentiated services accordingly.

In addition, to gather feedback on service delivery, the Company systematically collects customer opinions through its Net Promoter Score (NPS) program and the Computer Telephony Integration (CTI) customer service management system. The Company also conducts mystery shopper audits on branch service etiquette and regularly reviews on-site service performance across 68 branch locations to gain deeper insights into customers' actual perceptions of service quality.

Based on the results of the aforementioned customer profile analyses and customer feedback, the Company implemented the following corresponding adjustments in 2025 under its three strategic pillars of "Customer Service," "Financial Inclusion," and "Digital Finance":

- ✓ "Customer Service" – Enhancing service quality and complaint management: Based on complaint pattern analysis results, the Company continuously optimized the classification mechanism and handling procedures for customer complaint cases, establishing a closed-loop management process of "root cause analysis → improvement tracking → effectiveness verification." Dedicated monitoring and management of complaint cases involving senior customers were also strengthened. In addition, mystery shopper audits of branch service etiquette were conducted, with the average score of external mystery shopper assessments across branches reaching 94 points in 2025, representing an increase of 14.63% compared to the 2024 average score of 82 points. From January to June 2025, customer satisfaction was measured using the Net Promoter Score (NPS), achieving an average score of 86. From July to December, customer satisfaction was measured using the CTI customer satisfaction rating system, achieving an average score of 4.98.
- ✓ "Financial Inclusion" – Enhancing financial accessibility: Differentiated services were provided to meet the needs of various customer segments. These included a dedicated priority customer service hotline for senior clients aged 65 and above; optimization of the voice operation functions of the "Pocket e-Strategy" APP for visually impaired users, with the Company becoming the first securities firm in the industry to obtain the "Accessible APP Certification for the Visually Impaired"; and the provision of financial literacy outreach programs for persons with disabilities, Indigenous peoples, and new immigrants. Through these initiatives, the Company seeks to expand the reach of financial services and promote financial equality.
- ✓ "Digital Finance" – Enhancing service convenience through digital finance: In response to the needs of younger customer segments, functions such as "Daily Deduction" for regular fixed-amount investments, simulated trading, and strategy-based stock selection were further optimized. As a result of these ongoing enhancements, the number of regular fixed-amount investment accounts grew to 94,616. Based on customer preferences, the LINE Official Account was enhanced to provide targeted content delivery and personalized notification services, along with customized APP services, resulting in the account surpassing 2 million followers. In addition, the Company continued to promote electronic trading, with electronic orders accounting for 93.08% of the total transaction volume in 2025, effectively improving trading convenience and service experience across different customer segments through digital tools.

In addition to incorporating customer feedback and continuously enhancing service measures, the Company has also focused on strengthening talent development and the professional capabilities of its sales teams. Following its industry-leading collaboration with the Securities and Futures Institute (hereinafter referred to as the "SFI") in 2024 to launch the "ETF Professional Consultant (ETFP)" certification program, the Company again partnered exclusively with the SFI in 2025 to introduce the "Wealth Management Professional (WMP) Consultant" certification program. The program is designed to comprehensively strengthen the sales team's expertise in taxation, trusts, wealth succession planning, and holistic investment management. It embodies the principle of "finding the right products for clients, rather than finding clients for products," with the aim of helping wealth management clients achieve their long-term financial objectives.

In addition, the Company introduced the "RichLife" wealth management technology platform in 2025, leveraging digital technology to comprehensively enhance the professional depth and service quality of wealth management and asset planning services. Sales teams can utilize human–machine collaboration technology to perform bond cash flow forecasting, helping clients plan their funding needs in advance. Through "scenario analysis," they can also simulate different market conditions, such as severe recessions or persistent inflation, to assess the potential impact of major historical market events on investment portfolios.

Consumer Protection Measures for Financial Products

The President serves as the convener of the Fair Customer Treatment Committee, overseeing the planning of matters related to financial consumer protection and fair customer treatment, while supervising all departments to ensure effective implementation. Through oversight by senior management, the Company demonstrates its strong commitment to protecting the rights and interests of financial consumers. The Corporate Strategy & Planning Department has also been designated as the unit responsible for promoting these initiatives. It coordinates business units in implementing fair customer treatment, accessible financial services, fraud prevention, and related measures while conducting regular internal control reviews to ensure the effective implementation of all customer-friendly financial service initiatives. In 2025, under the aforementioned governance mechanism, the Company formally reported its financial consumer protection achievements and improvement plans to the Board of Directors on four occasions. Through the Board's oversight function, financial consumer protection measures were further strengthened.

Before providing financial products or services and entering into contracts with clients, business units are required to conduct Know Your Customer (KYC) procedures in accordance with applicable regulations. This includes collecting and assessing clients' basic information, investment knowledge, investment experience, financial condition, and risk tolerance. Based on the assessment results, clients are classified into three risk categories: "Low," "Medium," and "High." This process ensures that recommended products and services are suitable for the client's risk profile. To further safeguard clients against transaction risks, the Company has established a cooling-off mechanism for KYC reassessments involving upgrades to risk classifications, as well as the "Customer Complaint and Dispute Handling Policy."

In addition, before selling any financial product or service, sales personnel are required to provide clients with a complete explanation, in a manner that can be fully understood by the client, of key information relating to the financial product, service, or contract, including transaction costs, potential returns, and associated risks. All material disclosures and important considerations must be communicated transparently, and no false, concealed, or misleading information may be provided. For clients conducting transactions through non-face-to-face channels, the Company will conduct a follow-up confirmation call to ensure that clients fully understand the nature and risks of the products they have subscribed to or purchased.

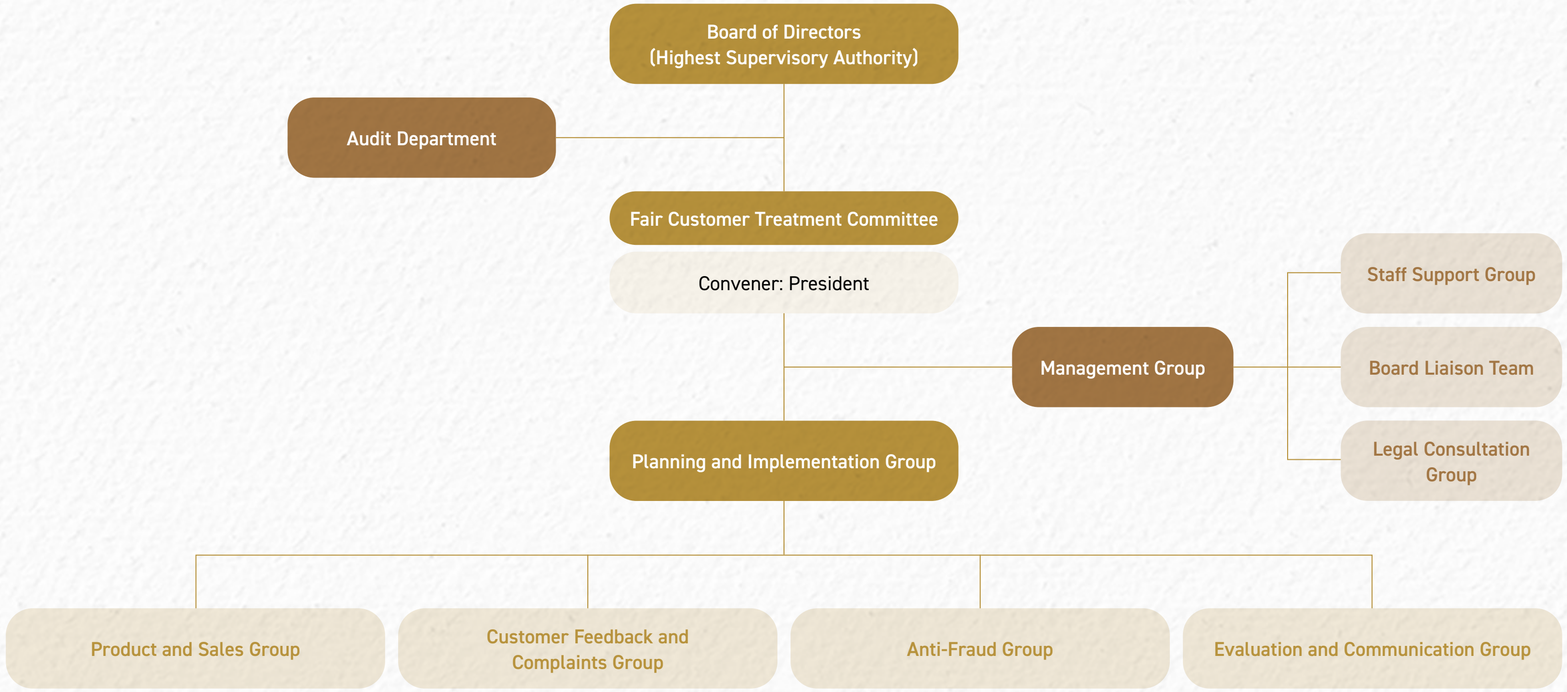
To further strengthen the protection of senior customers' rights and interests, KGI Securities has established and implemented the "Senior Client Assessment Form." Based on characteristics specific to senior clients, such as physical and cognitive capabilities, post-retirement financial resources and sources and levels of income, liquidity needs, level of financial literacy, and social circumstances (including living alone and caregiving arrangements), the assessment is used to comprehensively evaluate investment suitability. For structured products with higher risk ratings and greater complexity, the Company has established a control principle whereby the sum of the customer's age and the term of the financial product must be less than or equal to 80. If this threshold is exceeded, a separate application must be submitted and approved by the branch district supervisor before the transaction may proceed. In addition, sales personnel are required to further verify senior clients' understanding of the product's transaction risks to ensure the effective implementation of the Know Your Product (KYP) suitability assessment mechanism. In addition, the Company has established a senior customer care program to enhance financial protection and service quality for senior clients through more comprehensive service and communication mechanisms.

Fair Customer Treatment Principles

To continuously enhance the implementation of the Fair Customer Treatment Principles, the Fair Customer Treatment Committee operates in accordance with KGI Securities' "Fair Customer Treatment Committee Organizational Charter." The "Fair Customer Treatment Committee" was established in 2022 to actively integrate the concept of fair customer treatment into the corporate culture. Led by the Board of Directors, the Company promotes various fair customer treatment action plans and has formulated the "Ten Principles of Fair Customer Treatment" (for the full text, please refer to the Fair Customer Treatment section on the Company's official website). To facilitate the promotion of various business operations, this Committee is headed by the President and has established the "Board Liaison Group," "Staff Support Group," "Legal Consultation Group," "Product and Sales Group," "Customer Feedback and Complaints Group," Anti-Fraud Group," and "Evaluation and Communication Group." Regular meetings are held on a quarterly basis, with a total of four meetings convened in 2025.

In addition, to ensure the prompt and effective handling of customer complaints and disputes, the Company has established a systematic analysis mechanism for complaint cases through the "Customer Feedback and Complaints Group" under the Fair Customer Treatment Committee, in accordance with the ISO 10002 international complaint handling standard. The mechanism conducts regular in-depth analyses of complaint patterns, root causes, and processing timeliness to identify the underlying causes of complaints and formulate specific improvement recommendations. Relevant units are required to complete optimization measures within the prescribed time frame, thereby creating a closed-loop management process of "cause identification → root cause analysis → improvement tracking → effectiveness verification," continuously enhancing the effectiveness and efficiency of complaint handling. The working groups report to the Committee on a quarterly basis and, in 2025, submitted reports to the Board of Directors on four occasions. These reports disclosed the statistical analysis results of complaint cases, reviews of complaint patterns, and the implementation status of specific improvement measures. The Company also continued to monitor and optimize the handling of complaint cases involving senior customers.

◈ Organizational Structure of the Fair Customer Treatment Committee

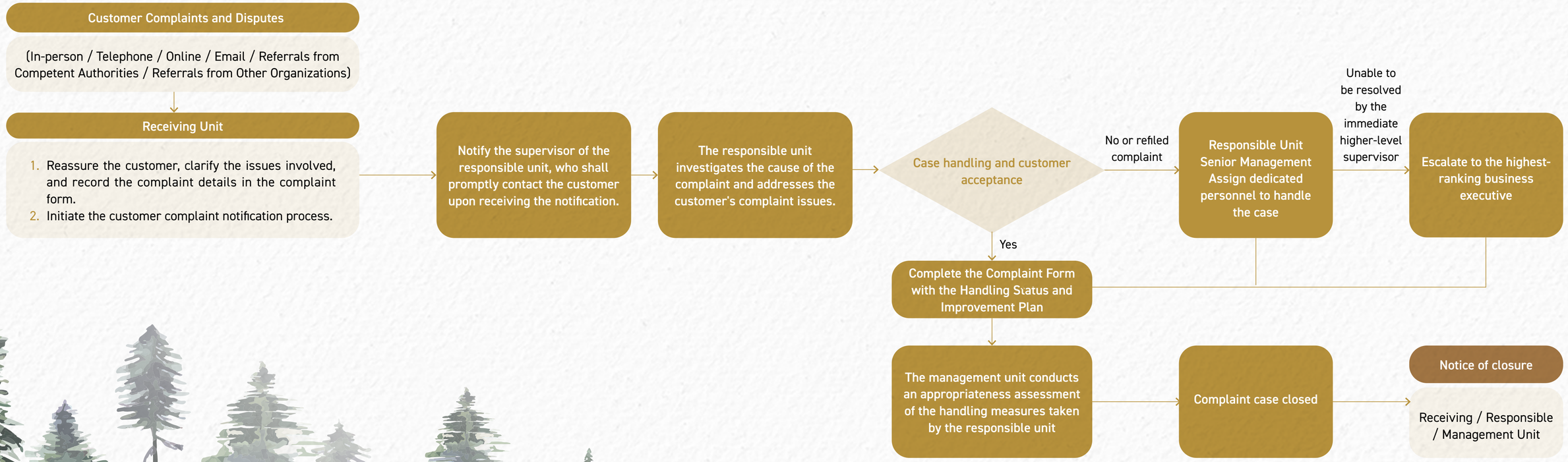


Customer Complaint Handling Process

KGI Securities has established a comprehensive "Customer Complaint and Dispute Handling Policy" and customer service center platform. Upon receiving customer feedback, the customer service center or branch office is required to accurately document the details of the complaint and immediately notify the relevant supervisor on the same day. After receiving a customer complaint, the branch manager must promptly contact the customer to provide reassurance, understand the customer's concerns, and communicate the handling results to the customer as soon as possible. The Brokerage and Wealth Management Channel Division also convenes monthly complaint review meetings, chaired by the division head and attended by regional supervisors. The manager of the branch being complained about is required to explain and review each case individually. Where issues involve service attitude, operational procedures, or system-related matters, corrective actions must be proposed, and the progress of improvements must be tracked to ensure that customer complaints are resolved effectively. In addition, KGI Securities provides various public communication channels, including the customer service hotline (02-2389-0088), toll-free hotline (0800-085-005), online text customer service (webchat) on its official website, and the email address (service1@kgi.com), enabling customers to make inquiries and provide feedback at any time. Furthermore, upon completion of telephone services, the customer service center conducts random customer satisfaction surveys to serve as a reference for service enhancement. The Company also regularly carries out case-sharing initiatives and personnel training programs to continuously improve customer service quality. When customers raise concerns or complaints, the Company's personnel are required to respond with sincerity and professionalism, fully understand the nature of the dispute or the underlying cause of the complaint, and strive to address the matter promptly. When necessary, relevant documents or supporting evidence will be reviewed, and proactive coordination and communication will be undertaken to develop an appropriate resolution. The handling approach will then be explained to the customer. If the customer continues to have concerns or does not accept the proposed resolution, the Company will reassess whether the handling approach is appropriate and make every effort to identify a reasonable solution, with the goal of achieving an amicable resolution to the dispute.

The Company has also established a "Customer Service Center" section on its official website, enabling customers to conveniently access information on account opening and trading procedures, introductions, tutorials, component downloads for various trading platforms, frequently asked questions (Q&A), and customer service contact information. In addition, customer service representatives and sales personnel at branch offices throughout Taiwan proactively solicit customer feedback periodically to better understand customer satisfaction levels and service needs across various business operations, while responding to and resolving issues efficiently and effectively. In 2025, the customer service center achieved a first-call resolution rate of 99.6%, demonstrating its ability to effectively fulfill its function by promptly assisting customers in clarifying and resolving their issues.

Customer Complaint Handling Flowchart



Implementation Results of Fair Customer Treatment

KGI Securities places great importance on the implementation of the Fair Customer Treatment Principles and regularly conducts and promotes various mandatory and elective courses and seminars related to fair customer treatment. In 2025, the Company conducted training courses on Financial Consumer Protection and the Fair Customer Treatment Principles. The curriculum covered financial accessibility and the Convention on the Rights of Persons with Disabilities, the Financial Consumer Protection Act and the Fair Customer Treatment Principles, emerging trends in financial consumer disputes, practical applications and case study analyses in the securities industry, as well as international trends and future outlooks. The course duration was three hours, with a total of 2,794 participants completing the training, including nine directors, senior managers, and full-time employees. The total training hours amounted to 8,382 person-hours, representing 84.986% of all full-time employees.

Target Audience	Course Name / Contents	Course Hours	Participation Status	Training Participants / Hours
Directors [Note]	Fair Customer Treatment, Financial Accessibility, and the Convention on the Rights of Persons with Disabilities (CRPD)	3	The number of required participants and the number of participants who completed the training were both 9, resulting in a completion rate of 100%.	27 hours
Senior Managers	Financial Consumer Protection and Fair Customer Treatment Principles (Including the CRPD)	3	The number of required participants and the number of participants who completed the training were both 31, resulting in a completion rate of 100%.	93 hours
	Fair Customer Treatment, Financial Accessibility, and the Convention on the Rights of Persons with Disabilities (CRPD)	3	The number of required participants and the number of participants who completed the training were both 4, resulting in a completion rate of 100%.	9 hours
Full-time Employees (excluding Senior Managers)	Financial Consumer Protection and Fair Customer Treatment Principles (Including the CRPD)	3	The number of required participants and the number of participants who completed the training were both 2,751, resulting in a completion rate of 100%.	8,253 hours

Note: The Company's responsible person and President also serve as directors and have both completed training related to fair customer treatment. However, for the purpose of calculating training hours, their participation was recognized under their capacity as "directors" and was not counted again under both the director and senior manager categories.

Financial Accessibility Principles

Pursuant to Article 12 of KGI Securities' "Fair Customer Treatment Principles" (for the full text, please refer to the Fair Customer Treatment section on the Company's official website), the strategy for promoting financial accessibility services shall encompass specific measures across five key dimensions: environment, communication, products, services, and information. The Principles also require that no discriminatory or unfair treatment practices be conducted. Led by the Board of Directors, the Company actively promotes an organizational culture that values financial accessibility, embedding the concept of financial accessibility throughout the daily work of all employees from top to bottom.

In addition, the Company regularly conducts external mystery shopper audits and, in accordance with the "Branch Office Service Etiquette Standard Operating Procedures (SOP)," reviews the implementation of service etiquette standards and the maintenance of branch operating environments. The Company has also established internal compliance regulations, namely the "Guidelines for Engaging in Financial Commodity Transactions with Vulnerable and Elderly Customers," to strengthen the protection of the rights and interests of vulnerable and senior customers. Furthermore, a cooling-off period mechanism has been implemented for KYC reassessments to help prevent inappropriate sales practices. The foregoing initiatives and the specific implementation status of financial accessibility services were reported to the Fair Customer Treatment Committee and submitted to the Board of Directors for discussion and guidance. All related matters were duly submitted to the Board of Directors for approval and recordation.

Implementation and Incentive Measures for Financial Accessibility

To implement the principles and requirements of financial inclusion, the Company has designated the Corporate Strategy & Planning Department as the dedicated unit responsible for coordinating financial inclusion initiatives across all departments. This department is responsible for coordinating business units in implementing various financial inclusion measures and establishing an internal control mechanism to periodically review their execution, thereby ensuring the effective implementation of all measures. In addition, the results of financial inclusion initiatives and related improvement recommendations are reported quarterly to meetings related to fair customer treatment. In 2025, a total of four reports were submitted to the Board of Directors, which provided guidance and oversight and continued to promote the ongoing enhancement and implementation of relevant policies.

In addition, to encourage employees to actively embody the spirit of financial accessibility services, KGI Securities has established the "Performance Evaluation Guidelines for the Fair Customer Treatment Principles," under which financial accessibility services are included as a criterion for performance evaluation bonuses. The Company has also implemented the "Best Corporate Value Practice Award" selection mechanism to encourage employees to uphold the corporate value of being "customer-centric" and to effectively implement the Fair Customer Treatment Principles and financial accessibility practices. In 2025, the Company conducted a recognition and reward program, under which five employees received awards. In addition to receiving fixed-value gift vouchers, the award recipients were publicly recognized through internal announcements. Through benchmark learning, the Company encourages employees to follow exemplary role models and further deepen their practice of its corporate values.

KGI Securities deepens its fair customer treatment culture through Independent Director Kai-Chieh Chia's personal experience of the real-life challenges faced by individuals with diverse disabilities.

Financial Accessibility Initiatives and Achievements

Item Name	Implementation Contents	Implementation Results
Service Etiquette Standard Operating Procedures (SOP)	✓ KGI Securities fully recognizes the importance of service etiquette and customer care and is committed to providing customers with professional, attentive, and compassionate service. Accordingly, the Company has established the "Branch Office Service Etiquette Standard Operating Procedures (SOP)" and implements training programs on branch service etiquette, customer complaint handling, and crisis management to help employees become familiar with the standard operating procedures for service etiquette. The Branch Office Service Etiquette SOP covers customer service management, service etiquette mindset, dress and grooming standards, greeting and smiling etiquette, telephone etiquette, etiquette for external client visits, and customer communication and response techniques. ✓ In 2024, the Company introduced the "Branch Office Service Etiquette SOP Self-Assessment Checklist" and conducts monthly reviews of the implementation status of branch self-assessments. ✓ The Company has also planned and implemented a Branch Office Service Etiquette Mystery Shopper Program (establishing an external mystery shopper audit system). Based on a jointly approved inspection checklist developed with a consulting firm, on-site service audits were conducted at 68 branch locations to assess current service performance. The objective is to better meet customer service expectations, enhance service quality, strengthen competitiveness, and continuously improve over-the-counter service performance.	✓ The Branch Office Service Etiquette Mystery Shopper Program achieved a 100% implementation rate. ✓ In 2025, the average audit score from external mystery shopper inspections of branch offices was 94 points, representing an increase of 14.63% compared to the 82-point average recorded in 2024.
Customer Service Systems	✓ The intelligent customer service system has been fully deployed across digital touchpoints, including online account opening and electronic trading systems, enabling customers to search for answers by entering keywords. ✓ Online customer service Webcall functionality has been added to the online trading platform and account opening process. ✓ The intelligent customer service system has introduced hyperlink and image-based response formats to enhance the convenience and readability of customer inquiries and responses. ✓ With respect to professional training for customer service personnel, the Company places particular emphasis on developing their ability to respond efficiently and resolve issues promptly, with the goal of enabling customer service representatives to resolve customer issues in a single phone call.	✓ In 2025, the customer service center achieved a first-call resolution rate of 99.6%. ✓ In 2025, the intelligent customer service system handled 227,800 customer inquiries.
Multilingual Services	✓ Branch offices located in Taiwan's six special municipalities are staffed with at least one to two employees capable of providing services in English, depending on the branch size and business needs. ✓ Online customer service personnel communicate with customers in multiple languages, including Mandarin, Hakka, and Taiwanese, enabling customers to better understand the information provided.	✓ A total of 31 branch offices provide services in English.
Senior Citizen Care Program	✓ The Company proactively provides care and support to senior customers aged 65 and above in connection with specific product-related events. Customers are categorized according to their investment profiles (aggressive, balanced, or conservative), and investment recommendations are provided only after ensuring that they fully understand the status of their assets held with the Company. Relevant market information is also provided to business personnel to facilitate engagement with and care for senior customers. ✓ The Company has established a "Senior-Friendly Customer Service Hotline Priority Channel" for customers aged 65 and above. By simply pressing "0" after calling the KGI Securities customer service hotline, senior customers are connected directly to a dedicated representative who provides personalized assistance and care. This service eliminates the need to enter personal identification information or navigate automated voice menus and allows communication in the customer's preferred language, thereby providing senior customers with a more convenient, reassuring, and customer-friendly service experience. ✓ As an industry-leading initiative, the Company has introduced an AI-powered text-based intelligent customer service function that allows users to enlarge the font size of text conversations with a single click, making content easier to read on mobile devices. For customers who are less familiar with typing on a keyboard, voice recognition functionality is also available, offering senior customers a wider range of intelligent customer service options. ✓ Reading glasses and A3 enlarged versions of new account opening agreements are proactively made available at prominent counter locations, enabling senior customers to review document contents more clearly and demonstrating the Company's commitment to implementing senior-friendly service measures.	✓ Under the Care Program, an average of approximately 9,000 customer care interactions were completed each quarter in 2025, achieving a completion rate of 100%. ✓ In 2025, the Senior-Friendly Customer Service Hotline handled more than 8,390 service calls.

In addition to the financial accessibility measures described above, KGI Securities provides appropriate financial accessibility services tailored to the needs of persons with various types of disabilities, encompassing environmental, communication, product, service, and information-related aspects. Details of the services provided for each disability category are described below. Going forward, the Company will continue to enhance and develop relevant measures to safeguard the rights and interests of vulnerable groups in accessing financial services.

Target Groups Requiring Care and Support	Implementation Measures	Implementation Contents
Persons with Visual and Hearing Impairments	Enhancement of the Financial Accessibility Services Section on the Official Website	✓ Live Online Text Customer Service: Assists customers with hearing impairments, speech impairments, and other accessibility needs by enabling them to submit inquiries regarding account opening, service applications, information updates, and other matters through typed text, while receiving real-time online responses. ✓ Online Telephone Customer Service (Web-Call): Customers may use mobile devices or computers to connect with dedicated customer service representatives via internet-based voice calls. In addition to reducing telephone expenses, this service also enhances convenience and accessibility. ✓ The Financial Accessibility Services section of the Company's official website has obtained the "Accessibility Certification Mark." All website pages include a "Font Size" option that allows users to enlarge or reduce displayed content with a single click, meeting the needs of different accessibility groups and enhancing the readability of information.
Persons with Visual Impairments	Launch of Accessibility-Friendly Features for Vulnerable Groups on the "Mobile e-Strategy" Platform	The "Mobile e-Strategy" app has obtained the "App Accessibility Certification" issued by the Taipei Parents' Association for the Visually Impaired, making KGI Securities the first securities company in Taiwan to receive this professional certification. The app provides voice broadcasting, voice input, and a large-font interface, ensuring that customers with visual impairments can independently complete market information inquiries and trading operations. The AI Assistant function also supports fully voice-enabled interaction, allowing customers with visual impairments to access real-time investment information.
Persons with Dementia or Suspected Dementia	Guidelines for Serving Persons with Dementia or Suspected Dementia	In accordance with the "Practical Reference Guidelines for Securities Firms on Providing Services to Persons with Dementia or Suspected Dementia" issued by the Securities Association on July 23, 2024, the Company has developed the "Guidelines for Serving Persons with Dementia or Suspected Dementia" and the "Questionnaire for Identifying Persons with Dementia or Suspected Dementia" for use by branch offices.
Persons with Physical Disabilities	Protection Measures for Persons with Disabilities	✓ Accessibility-Friendly Service Procedures for Vulnerable Groups: » Sign language interpretation services provided by the Taiwanese Association of Sign Language Interpreters have been introduced. Customers with hearing or speech impairments may request sign language services during business hours. Depending on the type of service being applied for, arrangements will be made for customers to communicate on-site through a video conference, with real-time interpretation provided by a certified professional sign language interpreter. Alternatively, customers may make an appointment online in advance, and a professional sign language interpreter will be arranged to provide in person interpretation services at the branch office. » The Company has established a comprehensive accessibility-friendly account opening mechanism. For customers with visual impairments, illiterate customers, and those unable to provide signature, two witnesses (including a Company employee) are assigned to assist throughout the entire process by providing explanations, confirming the customer's understanding, and maintaining complete records and documentation. This mechanism effectively safeguards customer rights and interests while promoting financial inclusion. ✓ Accessible Hardware Facilities and Software Services: » Hardware Facilities: Accessible facilities are available at all branch locations, and information regarding their availability is disclosed on the Company' s official website. The coverage rate of accessible facilities continues to increase. This includes a 99% installation rate for accessibility-friendly service counters with a height of 120 centimeters or less, a 100% installation rate for assistance call bells at the 17 branch locations situated on the ground floor, a 56% installation rate for accessible ramps, and a 49% installation rate for accessible elevators. » Software Services: In 2025, the Company obtained Level A certification under the Web Accessibility Guidelines 2.0. Following further enhancements completed in 2026, the Company successfully achieved Level AA certification. ✓ Accessible Environment Certification: The Company collaborates with the professional accessibility assessment organization, the Duofu Association, to conduct accessibility environment assessments and provide improvement guidance for its branch offices. Following the achievement of Accessible Environment Certification by the "Hukou Branch" in 2023 and the "Xinfeng Branch" in 2024, the Company initiated certification planning for the Shizheng Branch in 2025, which is expected to become the Company' s third certified branch location in 2026.

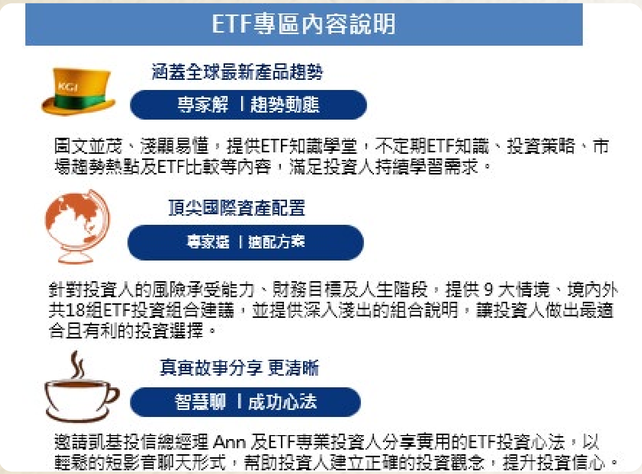
Promotion of Financial Investment Knowledge and the Use of Investment Tools

Guided by the belief that "financial knowledge should be accessible to all and benefit everyone," KGI Securities regularly promotes financial investment knowledge and the use of investment tools to diverse segments of the public. The Company is committed to providing effective and comprehensive financial services and knowledge to people from all sectors and communities of society, thereby supporting the FSC' s "Capital Market Blueprint" policy objectives of expanding financial literacy, enhancing the public's financial knowledge, and stimulating market activity.

Promotional Actions	Project Contents	Implementation Results
Financial Literacy Promotion and Investor Education	✓ Regularly conducts a variety of online investment and financial education programs, including online seminars and online financial education platforms, to help investors develop sound financial management concepts. Program content is aligned with current financial and economic developments and covers a wide range of topics, including Taiwan equities, US equities, and Hong Kong equities. Through investment and financial management education ranging from introductory to advanced levels, a continuous investor education platform is established. ✓ Continues to organize in-person seminars and events dedicated to promoting financial investment knowledge and providing professional investment information and market insights. Through comprehensive and effective financial services and education for all sectors and groups in society, investors are assisted in enhancing their financial management capabilities and achieving their financial goals. Relevant seminars are open to customers with disabilities, Indigenous customers, and new immigrant customers, and also include programs specifically designed for students and younger generations. By addressing the needs of different groups, a diverse range of financial products and services is provided.	✓ Conducted 49 online financial seminars in 2025, with a cumulative total of 6,215 participants. Topics include macroeconomics, Taiwan equities, US equities, Hong Kong equities, overseas bonds, and industry trends, enabling investors to quickly stay informed of market developments. ✓ In 2025, online financial education platforms such as *"Finance with Wen (財經要雯)," "KGI Stock Up (凱基股股漲)," and "Super U.S. Stock Show (超美股感 SHOW)"* were used to introduce topics including financial management knowledge, investment tools, and industry trends in an easy-to-understand manner. These platforms also featured real-time interactive mechanisms to further expand the reach of financial literacy. A total of 303 sessions were conducted in 2025, attracting approximately 4,164,635 cumulative views. ✓ Conducted 13 physical financial seminars in 2025, with a total of 2,052 participants, including: » A total of 9 in-person financial seminars were held, including events such as the "Wealth Magazine Investment Forum" and the "2026 Outlook Forum," organized in collaboration with financial media partners. Among them, the "2026 Outlook Forum" held in Kaohsiung in November was attended by new immigrant customers. » To promote financial management concepts, the Chengzhong Branch held the "Sustainable Wealth and Intergenerational Wealth Transfer" seminar in May 2025 and also invited customers with mobility impairments to participate. » In March 2025, KGI Securities partnered with Chunghwa Post to host the "National Taitung University Campus Financial Literacy Seminar." Assistant Vice President Wang of KGI Securities served as the lecturer, introducing students to fundamental concepts of investment and financial management. Through interactive Q&A sessions, students gained a better understanding of financial instruments such as stocks, mutual funds, and the increasingly popular ETFs. Participants were encouraged to begin investing early through regular, fixed-amount investments, allowing them to benefit from the long-term effects of compound growth. A total of 120 participants attended the event. » In May 2025, KGI Securities partnered with Chunghwa Post to host two "National Kaohsiung Normal University Campus Financial Literacy Seminars." Assistant Vice President Cheng and Investment Consultant Lee of KGI Securities shared insights on stock investment strategies and the selection of various financial management tools. The seminars were designed to establish fundamental investment concepts among future educators and help strengthen the financial literacy of the next generation. A total of 90 participants attended the two events.
Industry–Academia Collaboration	KGI Securities actively engages with educational institutions and provides internship opportunities. The Company regularly invites faculty members and students to visit its offices for corporate tours and frequently arranges sharing sessions led by senior executives with extensive practical experience. Topics covered are diverse and include the current state of Taiwan's capital market, financial investment knowledge and tools, investment banking practices, financial management services, and wealth management product design.	In December 2025, several business unit managers and the Head of the HR Department organized a "KGI Securities Corporate Visit Program" for the Graduate Institute of Finance at National Sun Yat-sen University. During the event, the Company shared knowledge and practical experience related to brokerage operations, wealth management, investment banking, bond business, and derivatives business. A total of 33 faculty members and students participated.

Promotional Actions	Project Contents	Implementation Results
Taiwan Stock Market Simulated Trading Competition	In 2025, KGI Securities partnered with eight colleges and universities across Taiwan to organize a simulated trading competition. Through participation in the competition, students gained a deeper understanding of the importance of investing and were encouraged to take proactive steps toward financial planning and investment. During the competition period, a variety of learning resources were provided, including online courses such as "Taiwan Stock Winners' Notes," "Investment Mindsets," and "Stock Selection Strategies," as well as in-person financial literacy seminars. These resources helped students gain a deeper understanding of regular fixed-amount investing while integrating fundamental analysis concepts into campus finance curricula. Through the hands-on experience of a short-term trading competition, students not only developed practical trading skills but also began to establish sound investment principles, laying a solid foundation for future financial planning.	A total of 8 simulated trading competitions were held in 2025. The competitions were open to students enrolled in colleges and universities, with a total of 1,413 participants registering to compete. ✓ Tamkang University: 344 ✓ Yuanpei University of Medical Technology: 28 ✓ National Kaohsiung University of Science and Technology: 104 ✓ Taipei City University of Science and Technology: 512 ✓ Ling Tung University: 200 ✓ National Chengchi University: 83 ✓ Minghsin University of Science and Technology: 59 ✓ CTBC Business School: 83
Promotion of Regular Fixed-Amount Investment Services	To encourage young people to take advantage of time and begin investing early through regular fixed-amount investment plans, KGI Securities launched the "KGI Invest Together" campaign in 2025. In partnership with the e-commerce platform citiesocial, the Company introduced the "Stock Saving Shopping Festival" promotion. Investors who successfully applied for and completed a regular fixed-amount investment deduction through the KGI Securities platform received a NT$300 citiesocial voucher. Those whose monthly investment deductions reached NT$3,000 were also eligible to enter a drawing for NT$5,000 in shopping credits, with entries accumulating based on participation. Through small, regular investments, the campaign aimed to encourage investors to gradually build funds to achieve their life goals.	As of December 31, 2025, the number of regular fixed-amount investment accounts had grown to 94,616.

To provide customers with trustworthy and reliable investment services, KGI Securities launched the "I Want to Invest in ETFs" microsite on its official website. This dedicated section presents, in a simple and intuitive manner, the methodology for using ETFs to build investment portfolios and implement asset allocation strategies. By presenting a variety of value propositions, we aim to better address and resolve the challenges that customers may encounter in ETF investing, promote ETF investment knowledge, and advance the goal of inclusive finance.



KGI Securities Financial Expo – November 7, 2025
Building Intelligent Service Desks to Lead Smart Investing

At the KGI Securities "Smart Service Desk," visitors were provided with interactive insights on Taiwan equities, US equities, and dividend investing strategies. The featured "Mobile e-Strategy" app integrates new functions such as "Real-Time US Stocks" and "Dividend Reinvestment," complemented by the "I Want to Invest in ETFs" investment framework. These tools help investors stay on top of market trends and easily activate dividend reinvestment settings with a single click, enhancing the long-term benefits of compound returns. KGI Securities also actively supports the anti-fraud initiatives promoted by regulatory authorities. Dedicated anti-fraud awareness campaigns were conducted at the event to remind investors to remain vigilant, avoid fraudulent schemes, and safeguard their assets.

Anti-Fraud Measures

KGI Securities places great importance on fraud prevention for financial consumers and has established an anti-fraud program that clearly defines customer care inquiry mechanisms, fraud reporting procedures, and the responsibilities of each department. This program serves as the operational guideline for all employees in carrying out anti-fraud measures. The Company has incorporated the implementation of anti-fraud initiatives into the regular oversight agenda of the Fair Customer Treatment Committee. A cross-functional "Anti-Fraud Task Force" has been established to conduct quarterly reviews and assessments, ensuring the effectiveness and quality of anti-fraud measures. Relevant operational procedures are continuously refined based on the review results, and progress is reported to the Board of Directors for discussion and guidance. In 2025, a total of four reports were presented to the Board.

The Company has established an Anti-Fraud Section on its official website (https://www.kgi.com.tw/zh-tw/anti-fraud). This section outlines various fraud schemes and tactics, provides guidance on identifying legitimate information, and offers information on appropriate responses and available resources in the event of a fraud incident. Through enhanced public awareness and education efforts, the Company aims to combat fraudulent activities and safeguard customer assets.

- ✓ "Identifying Official KGI Securities Websites, Trading Platforms, and Official Accounts": Assists customers in correctly identifying KGI Securities' official channels.
- ✓ "Response Measures and Related Resources for Fraud Incidents": Provides customers with guidance on fraud response procedures, reporting mechanisms, and consultation channels, addressing practical customer needs while consolidating additional anti-fraud resources for reference.
- ✓ "Latest Announcements" with an Added "Anti-Fraud Announcement" Tag: Enables users to quickly identify and access important anti-fraud information.
- ✓ "Anti-Fraud Section" Links Added to the Intelligent Customer Service System and All Trading Platforms: Enables customers to conveniently access information on various fraud schemes, fraud response procedures, reporting and consultation channels, and other related anti-fraud resources.

To safeguard investor assets and demonstrate its commitment to combating fraud, KGI Securities partnered with Gogolook, the globally recognized technology company behind the digital anti-fraud app Whoscall. KGI Securities became the first securities firm in Taiwan to offer an "Investor Fraud Intelligence Inquiry Service," incorporating real-time fraud intelligence provided by Gogolook. Through the "Anti-Fraud Section" on the KGI Securities website, investors can quickly verify suspicious phone numbers, text messages, or website links and further identify potential fraud risks.

In view of the increasing prevalence of digital fraud and phishing text messages in recent years, and to reduce the risk of investors falling victim to spoofed text message scams, the Company further strengthened its anti-fraud initiatives in 2025 by focusing on the timeliness and integration of fraud-related information. KGI Securities became the first private securities firm in Taiwan to launch the dedicated short-code SMS service "68178." All messages sent from this number are officially authenticated by the Company, enabling customers to easily identify legitimate communications. The aforementioned anti-fraud measures were recognized with the Excellence Award in the 2025 Securities Firms Anti-Fraud Evaluation. KGI Securities will continue to develop and strengthen anti-fraud measures to safeguard customer assets and financial security.

The First Securities Firm in Taiwan to Offer an "Investor Fraud Intelligence Inquiry Service"

In addition to establishing the Anti-Fraud Section, the Company also conducts anti-fraud awareness campaigns through various platforms and channels. These include distributing reminder messages via LINE and Facebook, publishing anti-fraud information on its official website and electronic trading platforms, conducting anti-fraud awareness activities during campus recruitment events, screening anti-fraud educational videos at shareholder services seminars, producing anti-fraud videos on the "KGI Securities LOHAS Investor" official YouTube channel, and regularly providing anti-fraud training programs for employees.

In 2025, the Company conducted a total of 404 internal and external anti-fraud awareness activities. These included six campus recruitment and anti-fraud awareness events, nine in-person financial literacy and anti-fraud seminars, 49 online investment and financial management seminars incorporating anti-fraud education, 83 regular internal anti-fraud training sessions, and 257 anti-fraud awareness campaigns delivered through other media channels, including YouTube and daily news distributions. Across all of these initiatives, the Company's anti-fraud awareness efforts reached approximately 5,473,101 individuals during the year. Based on the Company's total assets of NT$443.0 billion, the ratio of anti-fraud awareness activities to total assets was 0.091. The Company places great importance on the promotion and implementation of fraud prevention measures and will continue to invest resources in related initiatives and awareness activities. Through these efforts, the Company aims to further enhance the public's awareness of fraud prevention and strengthen their ability to identify and avoid fraudulent schemes.

To maximize the prevention of fraud incidents, the Company has established proactive customer care mechanisms and implemented differentiated measures for various scenarios. These measures include standardized fraud incident reporting procedures, fraud identification mechanisms, case handling and feedback processes, and cross-functional communication channels within the organization to facilitate effective coordination and response. Frontline branch personnel also implement the "Three Questions and One Care Reminder" measure. When a suspicious situation is identified, personnel proactively and courteously ask customers about the purpose of the transaction, the source of funds, and whether they are acting under the instruction of another person, while also providing anti-fraud reminders and guidance.

With respect to the protection of senior customers, the Company has established a transaction care inquiry mechanism for financial consumers aged 65 and above. When losses incurred by a senior customer reach a specified threshold, a care procedure is initiated, under which sales personnel contact the customer individually by telephone or in person to provide assistance and support. In 2025, a total of 38,383 care cases were triggered due to customer losses. In addition, if a senior customer holds suspected Hong Kong penny stocks or monitored US small-cap stocks, the salesperson will proactively contact the customer to discuss the status of the investment, thereby effectively mitigating the risk of inappropriate transactions and potential losses.

CHAPTER 04

Employee Care and an Excellent Workplace

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4.3 Occupational Health and Safety 95

KGI Securities regards its employees as the Company's most valuable asset. To enhance operational performance and achieve sustainable development objectives, strengthening human capital and implementing talent development programs are essential components of the Company's long-term strategy. In addition to providing the management and professional competency training required for employees in accordance with applicable regulations, KGI Securities offers a diverse range of learning and development programs to strengthen employees' core competitive capabilities. Training topics have also been expanded to include ESG participation and the cultivation of sustainable finance talent, supporting the Company's long-term sustainability goals. In recent years, KGI Securities has achieved significant results in employee care and well-being. The Company received the Third Taipei Age-Friendly Enterprise Certification for Middle-Aged and Senior Workers and was also awarded the 2025 Happy Enterprise Award by 1111 Job Bank for the fifth consecutive year. These achievements demonstrate KGI Securities' commitment to its "Employer of Choice" strategy and its continuous efforts to create a better workplace environment for employees.

In the area of talent development, KGI Securities continues to strengthen employees' professional capabilities and organizational leadership through systematic and forward-looking training programs. Through six core competency and leadership development training frameworks, the Company cultivates a financial professional team equipped with both a sustainability mindset and market competitiveness. In recognition of these efforts, KGI Securities received the Outstanding Talent Development Award at the 18th Golden Yi Awards of the Securities and Futures Industry, demonstrating the Company's commitment to and achievements in talent development.

Human Rights Policy Implementation and Labor Standards

KGI Securities supports and promotes human rights principles. In 2023, with reference to internationally recognized human rights frameworks, including the "Universal Declaration of Human Rights," the "Ten Principles of the UN Global Compact," the "United Nations Guiding Principles on Business and Human Rights," the "OECD Guidelines for Multinational Enterprises," and the "ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy," the Company formulated and adopted its "Human Rights Policy." The policy sets out the Company's core commitments to employee protection, covering non-discrimination, anti-bullying, the prohibition of forced labor, protection of freedom of association and effective labor–management communication, maintenance of a healthy and safe workplace, support for work–life balance, and protection of information security and privacy. The Company also conducts regular training programs to prevent any infringement of or violation against human rights, demonstrating its commitment to respecting, supporting, and protecting human rights. At the same time, the Company is committed to enhancing the importance of human rights within the organization, strengthening employee awareness, and promoting communication and management practices that support diversity, equity, and inclusion. In 2025, Human Rights Policy training was provided to new employees, with a total of 505 participants. In addition, the Company conducted its annual Human Rights Policy and DEI-friendly workplace awareness program for all employees, with a total of 4,532 participants.

The Company also complies with applicable labor laws and regulations in Taiwan, prohibits all forms of forced labor and child labor, and safeguards employees' freedom of association. Labor–management meetings are conducted in accordance with legal requirements, and comprehensive grievance mechanisms are in place. Employees and management may raise concerns or provide feedback through multiple channels, including the HR and Administration Departments, ensuring open and effective labor–management communication.

The Company's performance against the key indicators of the core labor standards established by the International Labour Organization (ILO) is summarized below:

Indicator Item	Indicator Data	Related Description
Working Hours	Total employee working hours in Taiwan reached 8,342,496 hours in 2025	Employee working hours are managed in accordance with the requirements of the Labor Standards Act, ensuring compliance with statutory working hour regulations.
Remuneration Fairness	1. The average salary adjustment rate in 2025 was 2.1%. 2. With respect to the female-to-male pay ratio in Taiwan, the ratio for non-managerial employees was 0.83 in Northern Taiwan, 1.01 in Central Taiwan, 1.05 in Southern Taiwan, and 1.04 in Eastern Taiwan. For managerial employees, the female-to-male pay ratio [Note] was 1.23 in Northern Taiwan, 1.00 in Central Taiwan, and 0.94 in Southern Taiwan.	1. The Company participates in market compensation surveys annually and establishes a competitive compensation framework based on external market data, ensuring that employees receive remuneration commensurate with their contributions. 2. The Company will continue to monitor and analyze compensation differences across regions and remains committed to promoting pay equity.
Occupational Safety Incident Rate	1. Total number of occupational injury cases in 2025: 30 employees. 2. Occupational injury rate: 0.72%. 3. Lost day rate: 4.73 (days per 200,000 working hours). 4. Injury frequency rate: 3.6 (cases per million working hours). 5. Injury severity rate: 23.67 (days per million working hours). 6. No occupational injury incidents occurred among overseas personnel or non-employee workers in 2025.	The Company will continue to systematically identify and manage occupational health and safety risks through its ISO 45001 Occupational Health and Safety Management System and remains committed to providing employees with a safe and healthy working environment.

Note: No female managerial employees were employed at branch locations in Eastern Taiwan in 2025; therefore, the corresponding ratio was not calculated.

4.1 Human Resources Overview

4.1.1 Employee Composition, Diversity and Inclusion

Regardless of gender, nationality, age, or job level, KGI Securities regards every employee as an important partner in the Company's sustainable operations. As of the end of 2025, including domestic and overseas business operations and subsidiaries, as well as regular employees and non-employee workers, KGI Securities employed a total of 4,647 workers. Currently, the overall proportion of female employees is higher than that of male employees. In addition, the employees hired include Indigenous peoples, persons with disabilities, and foreign employees. The Company will actively establish a workplace environment with diverse representation that promotes gender equality and the inclusion of persons with disabilities, Indigenous peoples, and foreign nationals.

Employment Contracts, Gender and Regional Distribution of All Employees

Regional Distribution	Employee Category	Number of Employees				Percentage of Total Personnel (%)
		Male	Ratio (%)	Female	Ratio (%)	
Taiwan – KGI Securities	Regular Employees	1,205	97.10%	2,065	98.05%	70.37%
	Contract Employees	27	2.17%	25	1.19%	1.12%
	Non-employees – Dispatched Workers and Others	9	0.73%	15	0.71%	0.52%
	Non-employees – Contractors	0	0.00%	1	0.05%	0.02%
	Subtotal	1,241	100.00%	2,106	100.00%	72.03%
Taiwan – KGI Securities and Its Subsidiaries	Regular Employees	1,384	96.51%	2,239	97.81%	77.96%
	Contract Employees	38	2.65%	32	1.40%	1.51%
	Non-employees – Dispatched Workers and Others	9	0.63%	16	0.70%	0.54%
	Non-employees – Contractors	3	0.21%	2	0.09%	0.11%
	Subtotal	1,434	100.00%	2,289	100.00%	80.12%
Overseas	Regular Employees	287	54.77%	278	69.50%	12.16%
	Contract Employees	6	1.15%	6	1.50%	0.26%
	Non-employees – Dispatched Workers and Others	0	0.00%	0	0.00%	0.00%
	Non-employees – Contractors	231	44.08%	116	29.00%	7.46%
	Subtotal	524	100.00%	400	100.00%	19.88%

Non-employee workers include interns, temporary agency workers under non-standard employment arrangements (such as stock affairs personnel, restaurant chefs, and drivers), and outsourced service personnel (such as cleaning staff and electromechanical maintenance personnel).

Gender, Age Structure, and Job Level Distribution of Regular Employees

Gender	Male			Female		
Age	Under 29 (incl.)	30–49	Over 50 (incl.)	Under 29 (incl.)	30–49	Over 50 (incl.)
Management	1	116	138	0	112	179
Non-management	302	766	348	318	985	923
Subtotal	303	882	486	318	1,097	1,102
Percentage of Regular Male/Female Employees (by Gender)	18.13%	52.78%	29.09%	12.64%	43.58%	43.78%

Educational Background Distribution of All Employees

Regional Distribution	Employee Category	Ph.D.	Master's Degree	Bachelor's Degree	Junior College	High schoo (and below)
Taiwan	Management	3	195	161	55	14
	Non-management	4	541	1,714	609	335
	Subtotal	7	736	1,875	664	349
Overseas	Management	0	29	58	9	7
	Non-management	0	67	230	42	74
	Subtotal	0	96	288	51	81

Female Employee Composition

	Number of Employees	Proportion
Percentage of Female Employees among All Non-management Employees	2,517	60.10%
Percentage of Female Managers among All Management Personnel	291	53.30%
Percentage of Female First-Line Managers among All First-Line Management Personnel	150	63.29%
Percentage of Female Mid-Level Managers among All Mid-Level Management Personnel	122	46.04%
Percentage of Female Senior Managers among All Senior Management Personnel	19	43.18%
Percentage of Female Managers among All Managers in Revenue-Generating Departments (excluding support functions such as Human Resources, Information Technology, and Legal Affairs)	137	47.90%
Percentage of Female Employees in STEM-Related Positions (Science, Technology, Engineering, and Mathematics) among Total STEM Employees	167	36.38%

Note: Management positions can be further classified as follows: Senior management refers to managers at job grade 15 and above; mid-level management refers to managers at job grades 12–14; and first-line management refers to managers at job grades 10–11.

Diverse Employee Composition

In accordance with the "People with Disabilities Rights Protection Act," the Company actively fulfills its obligation to employ persons with disabilities and remains committed to providing a diverse and inclusive workplace environment.

Minority Employees	Number of Employees		Percentage of All Regular Employees (%)
	Taiwan	Overseas	
Employees with Disabilities	23	0	0.55%
Indigenous People	15	0	0.36%

Note1: As of the end of 2025, the Company (excluding subsidiaries and overseas operations) employed a total of 22 persons with disabilities who are capable of working, representing 0.67% [Note 2] of its regular workforce (excluding subsidiaries) and complying with the legally required employment ratio.

Note2: Calculation formula: Number of employees with disabilities (22) ÷ Number of regular employees, excluding subsidiaries (3,277) × 100 = 0.67%.

Ethnic Group	Number of Non-management Employees in the Ethnic Group	Percentage of All Non-management Employees Represented by the Ethnic Group (%)	Number of Management Employees in the Ethnic Group	Percentage of All Management Employees Represented by the Ethnic Group (%)	Total	Percentage of All Regular Employees (%)
Asian – Taiwanese	3,216	88.30%	430	78.75%	3,646	87.06%
Asians – Non-Taiwanese	420	11.53%	110	20.15%	530	12.66%
Caucasian	4	0.11%	2	0.37%	6	0.14%
Other Ethnicities	2	0.06%	4	0.73%	6	0.14%
Total	3,642	100.00%	546	14.99%	4,188	100.00%

4.1.2 Employee Recruitment

In response to digital transformation and the promotion of innovative services in the financial industry, KGI Securities has continued to implement various learning initiatives in recent years, offering diverse digital learning channels such as digital courses, online seminars, and online training programs. The Company has also expanded its Management Associate (MA) Program and BROKERAGE MA (BMA) Elite Brokerage Talent Development Program to attract outstanding talent in the financial industry, thereby enhancing operational performance and advancing its sustainable development goals.

2025 New Hire Information (by Region, Gender, and Age Group)

New Hires		Taiwan	Overseas	Total
Gender	Male	353	63	416
	Female	327	79	406
Age	Under 29 (incl.)	387	42	429
	30–49	241	93	334
	Over 50 (incl.)	52	7	59

2025 Employee Turnover Information

	Total Number of Resignations	Turnover Rate (%)	Total Number of Voluntary Resignations	Voluntary Turnover Rate (%)
2025	452	10.79%	369	8.81%

2025 Employee Resignations by Region, Gender, Age Group, and Job Level

		Number of Resignations	Turnover Rate (%)
Region	Taiwan	393	9.38%
	Overseas	59	1.41%
Gender	Male	221	5.28%
	Female	231	5.52%
Age	Under 29 (incl.)	125	2.98%
	30–49	212	5.06%
	Over 50 (incl.)	115	2.75%
Level	Non-management (Regular Employees)	411	9.81%
	Entry-level Managers	25	0.60%
	Mid-level Managers	15	0.36%
	Senior executives	1	0.02%
Total		452	10.79%

Note1: The total number of employees for 2025 was calculated as of December 31, 2025, with a total of 4,188 regular employees.

Note2: The turnover rate is calculated as the total number of employees who left within a specific category divided by the total number of employees. For example, a total of 393 employees left in Taiwan, resulting in a turnover rate of 393 / 4,188 = 9.38% for the Taiwan region.

4.2 Talent Retention and Development

4.2.1 Talent Retention Note

Employee Remuneration System

KGI Securities determines bonus amounts each year based on the Company's overall operating performance and employees' individual performance evaluation results. The Company also participates annually in market remuneration surveys and incorporates external market survey data and analysis results into the formulation of its remuneration system to maintain salary competitiveness and ensure that employees receive appropriate remuneration in recognition of their contributions. In 2025, the Company's average salary adjustment rate was 2.1%, the same as in 2024.

Note: As market structures and price indices differ between Taiwan and overseas regions, and remuneration structures are primarily determined in accordance with the aforementioned principles, remuneration information is currently disclosed only for Taiwan to avoid potential misinterpretation. The Company will also continue to develop appropriate disclosure approaches for remuneration systems in overseas regions in order to enhance the transparency and public disclosure of information in its sustainability reports.

Remuneration Ratios for Management-Level and Non-Management Full-Time Employees, and Highest Individual Remuneration Ratio

Employees	Annual Salary Data	2024	2025
Non-management	Median Annual Salary	1,350,004	1,357,500
Management	Median Annual Salary	4,859,897	5,065,464
Ratio of the Highest Individual Remuneration to the Median Total Remuneration of All Other Employees		57.35	46.95

2025 Male-to-Female Remuneration Ratios for Management-Level and Non-Management Employees

Region Note 1	Employees	Median Base Salary		Male-to-Female Remuneration Ratio (Female : Male)
		Male	Female	
Northern Region	Non-management	55,000	45,800	0.83
	Management	134,000	165,000	1.24
Central Region	Non-management	34,800	35,000	1.01
	Management	95,000	95,000	1.00
Southern Region	Non-management	34,750	36,450	1.05
	Management	90,000	85,000	0.94
Eastern District Note 2	Non-management	34,000	35,450	1.04
	Management	90,000	-	-

Note1: The regional distribution information in this section is based on Taiwan's administrative regions, which are divided into the Northern, Central, Southern, and Eastern regions. The cities and counties included in each region are as follows:

- ✓ Northern Region: Taipei City, New Taipei City, Keelung City, Hsinchu City, Taoyuan City, Hsinchu County, and Yilan County.
- ✓ Central Region: Taichung City, Miaoli County, Changhua County, Nantou County, and Yunlin County.
- ✓ Southern Region: Kaohsiung City, Tainan City, Chiayi City, Pingtung County, and Penghu County.
- ✓ Eastern Region: Hualien County and Taitung County.

Note2: No female managerial employees were employed at branch locations in Eastern Taiwan in 2025; therefore, the corresponding ratio was not calculated.

4.2.2 Employee Cultivation and Development

Based on its four corporate values and six core competencies, KGI Securities has established the "KGI Academy" as its core talent development platform. The Academy encompasses four learning programs and four development frameworks. The four learning programs include the Leadership and Management Program, the Core Competency Program, the Professional and Statutory Program, and the New Employee and General Program. The four development frameworks cover Individual Development, Manager Development, High-Potential Talent Development, and Successor Development. Through a comprehensive and systematic training framework, KGI Securities continuously enhances employees' professional expertise and management capabilities while strengthening the organization's future talent pipeline and management stability to support long-term, sustainable growth and development.

In terms of its training framework, the Company continues to provide flexible and diverse learning channels. In addition to classroom-based training through the KGI Academy, it has introduced the Hahow online learning platform and the Workday system to integrate digital learning resources. By combining self-directed learning with internal professional training, the Company helps employees continuously enhance their financial expertise and cross-functional capabilities, thereby strengthening the overall competitiveness of its talent base.

In 2025, KGI Securities invested a total of NT$25,441,291 in employee training and development. The average training hours per employee reached 66.9 hours, representing a 33% increase compared to 2023. This reflects the Company's strong commitment to talent development and continued investment in employee growth. Through systematic training programs and effectiveness tracking mechanisms, KGI Securities ensures that learning outcomes are translated into practical business performance while continuously building a professional workforce with future-ready competitiveness.

2025 Average Training Hours Received, by Gender and Employee Category

Employee Category	Gender		Job Level		Average Hours
	Male	Female	Non-management	Management	
Education and Training Hours	105,611	180,029	245,815	39,825	66.9 hours

2025 Education and Training Programs

Category	Name of Training Course	Target Audience
Leadership and Management Training	Innovation Is Not What You Think	Department Heads / Supervisors and Above
	Managing Downward: The Golf Approach	Branch Managers / Trading Desk Managers / Settlement Managers
	Empowerment and Motivation: The Dual Engines Driving High-Performing Teams	Branch Managers / Trading Desk Managers / Settlement Managers
	Team Leadership and Motivation	Entry-level Managers
	Employee Issue Management and Communication Skills	Entry-level Managers
	Employee Care Skills	All Managers
Competency / Professional Training	The Art of Managing Upward Communication	All Employees
	Highly Practical Workplace Negotiation and Consultation Skills	All Employees
	Data-Driven Cold Reading	All Employees
	High-Performance Sales Closing Techniques: The Mindset and Preparation for Successful Selling	All Employees
	Enhancing Verbal Charisma to Build Interpersonal Influence	All Employees
Digital Self-Learning Platform, Professional Certifications, and General & Compliance Awareness Courses	Hahow Online Learning Platform	All Employees
	Pre-Service and In-Service Training for Securities, Futures, Trust, Wealth Management, and Related Businesses	All Employees
	Training on Anti-Money Laundering, Information Security, Personal Data Protection, and Related Topics	All Employees
ESG-related Courses	2025 Sustainable Finance General Education Training Program (Course content varies according to employees' job levels)	All Employees

Employee Performance Evaluation

KGI Securities conducts a performance evaluation process for 100% of its employees annually through a three-stage management system: ①setting annual objectives at the beginning of the year; conducting mid-year performance reviews and target adjustments; ②and carrying out year-end self-assessments, managerial reviews of annual achievements, and performance discussions. ③In addition to evaluating performance results, the year-end performance discussion provides an opportunity for managers and employees to engage in meaningful dialogue. Rather than assessing employee performance solely based on quantitative metrics, the Company seeks to foster a positive cycle through two-way communication and feedback.After conducting performance evaluations within their respective authorities and responsibilities, department managers implement performance management and improvement measures based on the evaluation results. If employees have concerns or disagreements regarding their performance results, they may raise them directly with the Human Resources Department. The Human Resources Department will then investigate the matter and work with both the department manager and the employee to facilitate management actions and improvements. Employees' performance evaluation results serve as references for annual performance bonuses, promotions, salary adjustments, and career development planning. In addition, under the "Employee Performance Improvement Procedures," employees with unsatisfactory performance evaluation results will be invited to participate in in-depth discussions to identify underlying issues. Specific improvement measures and coaching plans will be provided, and progress will be reviewed on a regular basis. Additional coaching may also be arranged where necessary to help employees address competency gaps and enhance their job performance.

4.3 Occupational Health and Safety

4.3.1 Employee Care

KGI Securities believes that employees are the core driving force behind the Company's growth, and that continuously enhancing employee health and well-being is one of its key responsibilities. In addition to providing competitive remuneration and benefits, as well as leave policies that exceed the requirements of the Labor Standards Act, the Company offers a wide range of insurance benefits and personal care programs. It also continues to optimize the workplace environment to provide employees with comprehensive care and support.

Diverse Employee Benefits

Comprehensive Protection	Term Life Insurance, Accident Insurance, Cancer Medical Insurance, Hospitalization Medical Insurance, and Occupational Accident Insurance
Personal Care	Employee Marriage, Bereavement, Medical, and Emergency Assistance; Marriage, Bereavement, Celebration, and Birthday Gifts
Facilities and Amenities	Swimming Pool, Preferred Discounts at Fitness Centers, and Nursing Rooms
Childbirth Subsidy	Childbirth Grants, Educational Scholarships for Employees' Children, and Emergency Relief Funds
Physical and Mental Well-being Support	Free Lunches, Taxi Booking Services, Subsidies for Club Activities and Departmental Trips, and Diverse Physical and Mental Health Promotion Programs
Financial Health	Employee Benefit Trust Share Ownership Plan and Online Financial Wellness Sharing Sessions

Friendly Leave Policy

In addition to meeting statutory requirements, KGI Securities provides maternity leave, paternity leave, and prenatal checkup leave that exceed those required by the Labor Standards Act, enabling employees to enjoy comprehensive benefits and sufficient leave while balancing their family caregiving responsibilities. Furthermore, the Company offers birthday leave, health examination leave, and volunteer leave, encouraging employees not only to work diligently but also to prioritize their health and participate in sustainability-related volunteer activities, thereby fostering a positive and employee-friendly workplace environment.

Type of Leave	Contents	Exceeding the Requirements of the Labor Standards Act
Annual Leave / Personal and Sick Leave	1. Employees are entitled to a prorated annual leave entitlement in their first year of employment 2. Employees at the Assistant Manager level and above are entitled to leave benefits that exceed the requirements of the Labor Standards Act	✓ Annual leave calculation method and leave standards
Menstrual Leave	As prescribed by law (without being counted toward other leave entitlements)	✓ Not counted toward other leave entitlements
Family Care Leave	As prescribed by law (without being counted toward other leave entitlements)	✓ Not counted toward other leave entitlements
Maternity Leave	10 weeks	✓ Exceeding the statutory requirement of 8 weeks
Paternity Leave and Prenatal Checkup Leave	8 days	✓ Exceeding the statutory requirement of 7 days
Health Examination Leave	(0.5–1 days)	✓ Additional health examination leave provided
Birthday Leave	0.5 days	✓ Additional birthday leave provided
Volunteer Leave	4 days	✓ Additional volunteer leave provided

Parental leave

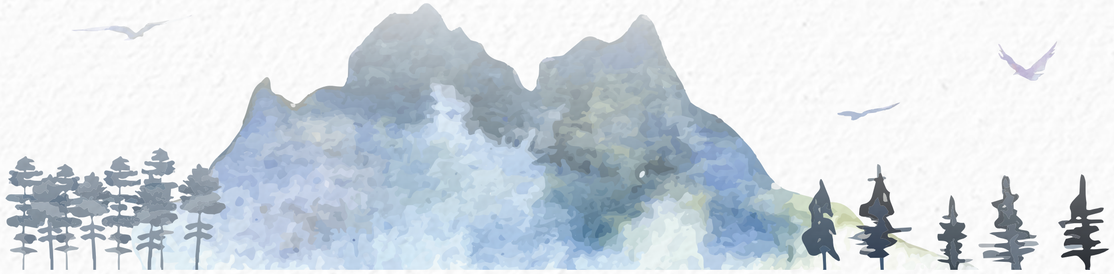
Items	Male	Female	Total
Number of Eligible Applicants Note 1	12	23	35
Actual Number of Users	3	10	13
Number of Employees Expected to Return to Work	1	9	10
Actual Number of Employees Who Returned to Work	1	8	9
Reinstatement Rate Note 2	100.0%	88.9%	90.0%
Number of Employees Who Returned to Work After Taking Parental Leave in 2024	5	23	28
Number of Employees Still Employed One Year After Returning to Work in 2024	-	4	4
Retention Rate Note 3	0.0%	17.4%	14.3%

Note1: For 2025, the number of eligible applicants includes only employees who had children under the age of three during the reporting year.

Note2: Reinstatement Rate = Actual number of employees who returned to work / Number of employees expected to return to work

Note3: Retention rate = Number of employees who remained employed for one year after returning to work in the current year / Number of employees who returned to work in the previous year (Reasons for not remaining employed for one full year after returning to work include voluntary resignation and reapplication for unpaid leave).

The figures in this table represent statistics for the Taiwan region only. Based on the Company's records, there were no employees in overseas regions who were eligible to apply for or who took parental leave in 2025.



Employee Retirement System

KGI Securities administers its employee retirement pension system in accordance with the Labor Standards Act, the "Regulations Governing the Organization of the Supervisory Committee of Labor Retirement Reserve of a Business Entity," and the "Employee Retirement Procedures":

Pension Items	Content Description	Amount Contributed/ Paid in 2025	Number of Participants	Employee Participation Rate
Old Scheme Pension	Retirement reserve funds are contributed monthly based on the total employee payroll and deposited into the Company's retirement fund account with the Bank of Taiwan.	17,716,404	750	22.87%
Old Scheme Pension	In accordance with Article 56, Paragraph 2 of the Labor Standards Act, employers are required to estimate the balance of the workers' retirement reserve fund account before the end of each year. If the balance is insufficient to cover the retirement benefits expected to be payable to employees anticipated to meet retirement eligibility requirements in the following year, the employer must make a one-time contribution of the shortfall by the end of March of the following year.	40,997,163	750	22.87%
New Scheme Pension	In addition, in accordance with the Labor Pension Act, the Company contributes 6% of each employee's monthly salary to the employee's individual pension account maintained by the Bureau of Labor Insurance. For employees who voluntarily contribute additional pension amounts, the Company deducts the voluntary contribution from their monthly salary based on the employee's elected contribution rate.	189,087,581	3,246	98.99%

Note: The employee participation rates shown in this table are calculated based on 3,172 eligible full-time employees of KGI Securities and do not include employees of subsidiaries, overseas operations, or contract employees.

In addition to the retirement pension plans required under applicable laws and regulations, KGI Financial Holding launched the Group-wide "Employee Benefit Trust Share Ownership Plan" in August 2022. After fully understanding the details of the program, employees may enroll in the trust share ownership plan through an online platform and voluntarily select an additional monthly contribution amount. The Company will then arrange employee share subscriptions based on the corresponding contribution amounts. The "Employee Benefit Trust Share Ownership Plan" is designed to enhance employees' financial well-being. Through the various initiatives under KGI Financial Holding's "Our Well-Being" program, the Company aims to ensure that employees receive comprehensive support and care.

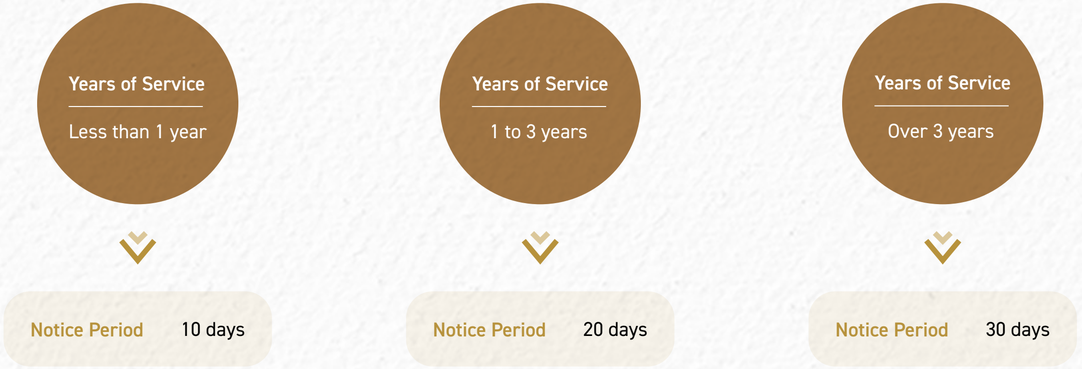
Employee Satisfaction Survey

Employee engagement is one of the key indicators used to measure employee retention. KGI Securities conducts an employee opinion survey each year under the coordination of the Human Resources Department. Through a regular and systematic survey mechanism, the Company continuously gathers employees' feedback on organizational operations, management practices, and the working environment, using the results as a reference for ongoing improvement. According to the 2025 employee satisfaction survey results, the employee engagement rate reached 70%, representing a significant improvement from the 52% engagement rate recorded in the first survey conducted in 2020. This result reflects the Company's continued efforts and achievements in strengthening employee relations and workplace systems.

According to the 2025 survey results, the aspect receiving the highest level of employee recognition across the organization was "Collaboration and Teamwork," indicating that the Company has established a strong culture of cooperation. Meanwhile, employees generally identified "Tools, Technology, and Resources" as the area most in need of improvement or change. In response to the feedback above, the Company will continue to accelerate its digital transformation efforts, optimize related systems and operational processes, and enhance both work efficiency and user experience. At the same time, through comprehensive policy planning and resource allocation, the Company is committed to improving overall workplace effectiveness and employee satisfaction, thereby strengthening the organization's long-term competitiveness.

Labor-management Relations

To strengthen labor-management relations and protect employees' rights and interests, the Company conducts labor-management meetings in accordance with applicable regulations. These meetings provide a forum for reporting, communication, and thorough discussion on workforce developments, business operations, key issues of concern to both labor and management, and other matters relating to employees' rights and interests. In the event that the Company ceases operations due to business downsizing or financial losses, or terminates employees' employment, advance notice of termination will be provided in accordance with employees' years of service, ranging from 10 to 30 days prior to the termination date.



4.3.2 Healthy Workplace

KGI Securities is committed to providing a safe and healthy working environment for all individuals at its workplaces, including employees and non-employee workers. To enhance and ensure the quality of the workplace environment, KGI Securities obtained certification for the ISO 45001 Occupational Health and Safety Management System in 2021 and maintained the certification's validity through 2025. The Company continues to implement a range of initiatives to maintain workplace safety, including regularly engaging external service providers to conduct work environment monitoring, building public safety inspections and filings, and fire safety equipment inspections and filings. It also regularly performs workplace risk identification, assessment, and corresponding improvement measures to reduce potential hazards and safety concerns.

Occupational Health and Safety System

To comply with the requirements of the Occupational Safety and Health Act, KGI Securities established an Occupational Safety and Health Committee in 2023. The Committee consists of nine members, including three employee representatives, and is chaired by the Company's Senior Executive Vice President. Representatives from both labor and management participate in quarterly committee meetings, during which occupational safety and health policies, plans, implementation performance, and improvement measures are reported. The Committee also discusses occupational safety and health issues raised by employees. Meeting resolutions and related matters are ultimately submitted to the Board of Directors for review, ensuring the comprehensive implementation of the occupational safety and health management system across both labor-management relations and corporate governance. A total of four meetings were convened in 2025 to review key occupational safety and health matters. Topics included the effectiveness of training programs, covering professional training and certification validity for personnel in occupational safety and health-related positions, as well as workplace environmental safety issues, including electrical safety, the use of electrical equipment, and the safety of office facilities and equipment.

Workers, activities, and workplaces covered by the occupational safety and health management system

Region	Worker Type	Coverage	Total Number of Employees	Coverage Ratio
Taiwan	Employees	3,693	3,693	100%
	Workers who are not employees	30	30	100%

As the occupational safety and health laws, regulations, and internal policies followed by the Company also apply to its Taiwan subsidiaries, the information in this section is disclosed only for Taiwan operations. Disclosure of overseas data will be further considered in future years after the relevant data collection and reporting methodologies have been clarified.

To promote occupational safety and health awareness among employees and enhance the professional knowledge of personnel in occupational safety and health-related positions, the Company conducts various seminars and training programs on a regular basis in accordance with the "Occupational Safety and Health Education, Training, and Professional Skills Certification Management Procedures." Professional certificates are issued to participants who complete the training, and post-training evaluations are conducted to ensure the effectiveness of the training programs.

Training Programs and Course Statistics

Item Contents	Number of Participants
Occupational Safety and Health Training for New Employees	504
Self-Defense Fire Brigade Training and Drills	1,598
Training Related to the ISO 45001:2018 Occupational Health and Safety Management System (Including training, drills, evaluations, and reviews related to organizational context analysis and assessment, hazard identification and risk and opportunity assessment, policy objectives and achievement planning, internal audits, and mock audit training)	38
Professional Training for First Aid Personnel	112
Professional Training for Occupational Health Service Nursing Personnel	2
Occupational Safety and Health Education and Training Courses	3,267

Workplace Risk Identification and Prevention/Mitigation Measures

To effectively manage workplace hazard factors and continuously improve occupational safety and health, the Company follows the ISO 45001 Occupational Health and Safety Management System. Each year, employees who hold valid occupational safety and health professional certifications and have completed training in hazard identification and risk and opportunity assessment are invited to conduct workplace risk assessments. These assessments take into consideration recommendations from relevant stakeholders and employee feedback and serve as the basis for developing corresponding prevention and mitigation measures.

Within the scope of the ISO 45001 Occupational Health and Safety Management System, should an occupational accident or occupational safety and health-related incident occur, the Company will conduct a root cause investigation and implement follow-up corrective actions in accordance with its "Occupational Safety and Health Incident Investigation Procedures." The Company also conducts occupational safety and health hazard identification and risk assessments in accordance with its "Occupational Safety and Health Incident Investigation Procedures." Based on the assessment results, corresponding control measures are developed to further reduce occupational safety and health risks. Details of the identified hazards are described below.

Occupational Safety and Health Hazard Identification Procedures

✓ Assessments are conducted regularly every three years
✓ Assessments are conducted occasionally
1. When factors affecting occupational safety and health arise due to changes in the work environment or routine operational activities.
2. When feedback is received from relevant stakeholders indicating circumstances that may affect occupational safety and health.
3. When existing occupational safety and health measures become ineffective or abnormal and corrective actions are required.

Seed members designated by each business unit assess potential occupational safety and health risks associated with different job functions.

During occupational safety and health meetings, the risk level of each identified hazard is further evaluated and documented in the "Risk and Opportunity Action Plan Register," based on which improvement or control measures are developed and implemented.

At the next meeting, the risk assessment methodology and related control measures will be reviewed and revised based on analyses of factors such as organizational expansion or downsizing, changes in the scope of responsibilities among departments, modifications to operational activities, the effectiveness of risk control measures over the past three years, and the frequency of incident occurrences.

Following discussions and consultations with various departments in 2025, the Company identified the following occupational safety and health risks and developed corresponding prevention or mitigation measures for each risk issue:

Risk Issues	Risk Description	Prevention / Mitigation Measures
Prevention of Occupational Diseases	The lobby consultation chairs have been in use for more than 20 years, resulting in chair leg pads becoming detached or damaged due to prolonged use.	1. Replace damaged chair leg pads to prevent instability during use and reduce the risk of employees falling. 2. Replace detached chair leg pads to prevent the generation of harsh noise when chairs are moved during use. 3. Occasionally inspect the functionality of consultation chairs to ensure they remain in proper working condition.
Compliance with laws and regulations.	In accordance with Article 17 of the "Regulations for Labor Health Protection," employees are required to undergo health examinations at the frequency prescribed by law based on their age.	1. Regularly announce employee health examinations. 2. Regularly review the list of employees who have not yet completed their health examinations, and follow up with reminders. 3. Statistics and case closure operations. 4. Implement Corporate Health Management Measures
Work environment safety.	Employees may be unfamiliar with operating the AED, resulting in delays in providing emergency assistance.	1. Conduct education and training courses on a regular basis. 2. Encourage all employees to participate. 3. Obtain the "CPR+AED Safe Location" certification from an external organization.

Within the scope of the ISO 45001 Occupational Health and Safety Management System, if an accident occurs (including, but not limited to, the occupational health and safety risks identified above), the Administration Department will conduct an accident investigation in accordance with the following procedures and implement the required follow-up corrective actions. If the accident is classified as a major incident, the Administration Department shall report it to the competent authority in accordance with applicable laws and regulations and convene a "Major Incident Review Meeting" to understand and discuss the course of the incident, analyze its causes, review the immediate response actions taken, and formulate preventive measures to avoid recurrence.

Following the occurrence of an accident (including both general and major incidents), the Administration Department shall issue an "Occupational Safety and Health Incident Investigation Report" and submit it to the responsible department for completion and reporting. For near-miss incidents, the responsible department may determine whether it is necessary to complete and submit a "Near-Miss Incident Investigation Report."

Upon receipt of the "Occupational Safety and Health Incident Investigation Report" and the "Near-Miss Incident Investigation Report," the responsible department shall complete and submit the forms within five working days. At the same time, it shall formulate corrective and preventive measures, taking into consideration the need to establish or revise existing systems, objectives, targets, management programs, or control documents, and shall provide additional education and training to employees as appropriate.

The responsible department shall implement follow-up improvements in accordance with the proposed preventive measures and report the improvement results to the Administration Department. If, during the improvement process, the originally proposed preventive measures are found to be ineffective, the responsible department shall notify the Administration Department in advance before revising the content of the preventive measures.

Occupational Injury and Absenteeism Statistics

Employee Type	Items	2025
Total Hours Worked in 2025		8,342,496 hours
Employees	Total Number of Occupational Injuries	30
	Total Number of Days of Occupational Injury Leave	197.5
	Occupational Injury Rate (%) Note 1	0.72%
	Lost Day Rate (%, days per 200,000 hours) Note 2	4.73
	Injury Frequency Rate (%, persons per million hours) Note3	3.6
	Injury Severity Rate (%, days per million hours) Note 4	23.67

Note1: Occupational Injury Rate: Number of occupational injuries / total number of employees. The total number of employees is based on 4,188 regular employees as of December 31, 2025.

Note2: Lost Day Rate (days per 200,000 working hours): Occupational injury leave days / total hours worked × 200,000 hours.

Note3: Disabling Injury Frequency Rate (FR) (persons per million working hours): Refers to the total number of disabling injury cases resulting from occupational accidents during the reporting period, including fatalities, permanent total disabilities, permanent partial disabilities, and temporary total disabilities, per million working hours. The calculation formula is as follows:

$$\text{Injury Frequency Rate (FR)} = \frac{\text{Number of Disabling Injuries (Cases)} \times 10^6}{\text{Total Hours Worked}}$$

Note4: Disabling Injury Severity Rate (SR) (days per million working hours): Refers to the total number of lost workdays resulting from disabling injuries caused by occupational accidents during the reporting period, including fatalities, permanent total disabilities, permanent partial disabilities, and temporary total disabilities, per million working hours. The calculation formula is as follows:

$$\text{Injury Severity Rate (SR)} = \frac{\text{Total Days Lost} \times 10^6}{\text{Total Hours Worked}}$$

The data presented in this table represent statistics for Taiwan. Based on the statistics collected, no occupational injury incidents occurred in overseas locations in 2025. In addition, no occupational injury incidents involving non-employee workers occurred within the working environment of KGI Securities (including both Taiwan and overseas locations) in 2025.

Occupational injury incidents involving non-employee workers occurred within the working environment of KGI Securities (including both Taiwan and overseas locations) in 2025.

0 incident

Prioritize Employee Health

The Company places great importance on the physical and mental well-being of its employees and is committed to creating a safe, healthy, and supportive workplace environment. Through regular health examinations, health promotion activities, and employee care programs, the Company continuously monitors employees' physical and mental well-being and provides diverse health resources and consultation services. At the same time, it promotes healthy eating, exercise, and stress management initiatives, encouraging employees to develop healthy lifestyle habits, enhance overall well-being and job satisfaction, and put into practice a people-centered approach to sustainable development. A total of 723 health promotion-related activities were conducted in 2025, with participation exceeding 11,695 attendances. To strengthen mental health support, KGI Securities has implemented an Employee Assistance Program (EAP) and partnered with professional counselors to provide comprehensive counseling services covering emotional stress, interpersonal communication, career development, parenting, marriage and family-related issues, as well as legal consultation resources. In addition to regular employees, the program is also available to dispatched and contracted personnel, ensuring that all workers have access to one-on-one professional assistance. In addition, the Company provides employees with a dedicated health management system to help them monitor their personal health status in real time and periodically delivers health-related information, promoting proactive health management.

Employee Health Program

Name of Program	Purpose of Implementation	Applicable Participants	Implementation Details and Performance Results	Relevant Certifications and Employee Feedback
Maternal Health Protection Program	To safeguard the physical and mental health of pregnant and postpartum breastfeeding female workers, the Company implements measures for those engaged in work with potential hazards, including hazard assessment and control, physician consultation and guidance, risk classification management, job suitability arrangements, and other related measures, with the objective of providing maternity protection for female workers.	Female employees who are pregnant, have recently given birth, or are breastfeeding	✓ Regularly promote breastfeeding-friendly facilities and relevant regulations. ✓ Create a maternity-friendly environment by providing comfortable lactation rooms and a dedicated entrance and exit for the nursing room at the headquarters. ✓ Childbirth Subsidies and Related Employee Benefits ✓ A total of 1 contracted postpartum care center. ✓ A total of 2 contracted preschools in 2025.	✓ Received the Taipei City Department of Health's Excellence Certification for Breastfeeding and Lactation Rooms.
Overwork Prevention Risk Management Program	To prevent workers from developing illnesses due to abnormal workloads arising from shift work, night work, long working hours, or other work-related factors, the Company provides health management measures aimed at preventing high-risk diseases such as cerebrovascular and cardiovascular conditions caused by overwork. The program is designed to facilitate early detection and treatment and to safeguard the physical and mental health of affected workers.	Employees engaged in night shift and rotating shift work who are considered high risk, as well as employees identified as having a significant 10-year cardiovascular risk.	✓ Conduct health promotion activities on an ongoing basis to help relieve employees' physical and mental stress. ✓ Hypertension Prevention: Nurses provide scheduled blood pressure monitoring for employees at designated locations. Nearly 3,195 blood pressure measurements were conducted during the year. ✓ New Self-Service Blood Pressure Monitor at Headquarters: A total of 2,210 self-administered blood pressure measurements were recorded by employees in 2025. ✓ CPR+AED Training Courses: A total of 8 training sessions were conducted in 2025, with 402 participants. The Company also obtained the CPR+AED Safe Location certification. ✓ Employee Assistance Program (EAP): Provides employees with support on legal issues, parenting, and physical and mental health concerns. ✓ On-site Physician Services: Provided in-person or video-based on-site physician consultation services for employees. A total of 24 sessions were conducted, assisting 186 cases in total. ✓ Nurse Health Care Visits and Consultations: A total of 48 sessions were conducted, with 395 employee visits in total.	✓ Health Promotion Label under the Healthy Workplace Certification Program of the Health Promotion Administration ✓ Obtained the AED Safe Location Certification
Ergonomics Risk Prevention Program	To prevent workers from developing musculoskeletal injuries or disorders caused by ergonomic hazards such as prolonged exposure to poorly designed work environments, repetitive tasks, improper working postures, or inadequate work time management.	All employees	✓ Health Lectures: Topics included how to choose health examination items, interpretation of post-examination results, bodyweight training and myofascial release, childhood obesity and fatty liver disease, maintaining bone and muscle strength, and other subjects. A total of 24 sessions were held, with 2,472 participants in total. ✓ Health Education Information: The internal website provided 13 new health-related articles relevant to employees. ✓ Visually Impaired Massage Services: A total of 471 sessions were provided annually, serving 5,623 individuals. ✓ Employee Welfare Committee Sports Clubs: Each sports club has a team leader who actively manages the employee sports clubs and promotes health activities. In 2025, a total of 41 clubs organized 145 sports activities. ✓ Ergonomically compliant work chairs and equipment are being gradually replaced.	✓ Employee feedback on visually impaired massage services showed a satisfaction rate of 98%. ✓ Received the Tobacco Hazard Prevention and Health Promotion Label.
Middle-Aged and Older Employee Work Adaptation and Protection Program	Work fitness of middle-aged and older employees is assessed, and through medical care and evaluation, necessary job accommodation measures and appropriate job design are implemented.	Middle-aged and Older Workers	✓ Established the Middle-Aged and Older Employee Work Adaptation and Protection Program. ✓ Office Lighting Equipment: An external inspection company was commissioned to examine whether the office lighting levels comply with regulatory standards. ✓ Headquarters Barrier-Free Facilities: Accessible restrooms, ramps, and other barrier-free facilities are provided for employees with mobility impairments.	✓ Passed the 3rd Taipei City Age-Friendly Employer Certification for Middle-Aged and Senior Workers.

Workplace Health Promotion Measures

To enhance the physical and mental well-being of all employees, the Company periodically organizes various activities, consultations, and educational campaigns. Through diverse and frequent initiatives, it promotes overall workplace health.

Implementation of Activities	Activity Contents and Implementation Effectiveness
Annual Health Examination	Annual health examination programs are provided to enable employees to take care of their own health, with an annual participation rate of 88%.
Influenza vaccination is provided at designated locations at the headquarters	A total of two sessions were conducted in the year, with 117 vaccinations administered in total.
EHS Health Management System	The system was used by 3,254 users.
First aid kits are provided at the headquarters and all regional branches, and are regularly managed and maintained.	Regular inspections and maintenance of infirmary and first aid kit equipment are conducted.
"KGI WALKER" Walking Competition	In response to the KGI Financial Holding Group's walking competition held for four consecutive years, employees are encouraged to accumulate health mileage through walking. One event was held during the year, with more than 2,500 employees forming teams to participate. The total number of walking steps increased significantly compared to the previous year.

Unlawful Infringement Incidents

To provide a friendly working environment and prevent and eliminate unlawful incidents that infringe upon employees, including (but not limited to) sexual harassment, workplace bullying, or discrimination, KGI Securities has established the "Guidelines for Complaint Handling and Disciplinary Measures for the Prevention of Sexual Harassment in the Workplace" and the "Key Points of the Prevention Plan for Unlawful Infringement in the Performance of Duties." These regulations define preventive measures, complaint handling procedures, and disciplinary rules as the basis for compliance by all personnel. The Company also publicly discloses in writing the preventive measures against unlawful infringement in the performance of duties to ensure that employees are fully aware of their rights and the available complaint channels.

If an employee is subjected to unlawful infringement, they may file a complaint through the internal employee complaint mailbox. The Company will establish an investigation team in accordance with relevant regulations to handle the matter promptly and confidentially. Depending on the physical and mental condition of the affected employee, the Company will proactively arrange referrals for or provide psychological counseling and legal assistance. For perpetrators whose misconduct has been substantiated, the Company will refer the case to the relevant review committee and impose disciplinary actions in accordance with applicable regulations. Where appropriate, the perpetrator may be reassigned to prevent further contact with the affected employee. The Company is committed to protecting the rights and interests of complainants and preventing the recurrence of unlawful infringement incidents. In 2025, the Company substantiated one case of unlawful workplace infringement and two cases of sexual harassment, all of which were handled in accordance with applicable regulations.

In addition, the Company has strengthened internal awareness campaigns and training on preventing unlawful workplace infringement and regularly conducts related educational and training programs to prevent such incidents. In 2025, a total of three related training sessions were conducted, as detailed in the table below. The course content covered topics such as an introduction to sexual harassment prevention regulations, identification of and responses to workplace bullying, explanations of complaint channels, and case studies. These programs strengthened employees' awareness and understanding of a friendly workplace environment. Going forward, the Company will continue its commitment to providing a healthy and secure workplace, safeguarding employees' rights and interests, and maintaining a sound and reassuring working environment.

	Number of employees who completed the training	Training Completion Rate
General Employees – Diversity, Equity and Inclusion and Healthy Workplace: Prevention of Unlawful Infringement, Workplace Bullying, and Sexual Harassment	3,682	100 %
Managers – Practical Case Analysis and Preventive Measures for Unlawful Workplace Infringement (Workplace Bullying, Sexual Harassment, and Improper Management)	459	100 %
Human Rights Policy and DEI-Friendly Workplace	4,532	100 %

CHAPTER 05

Green Operations and Social Co-prosperity

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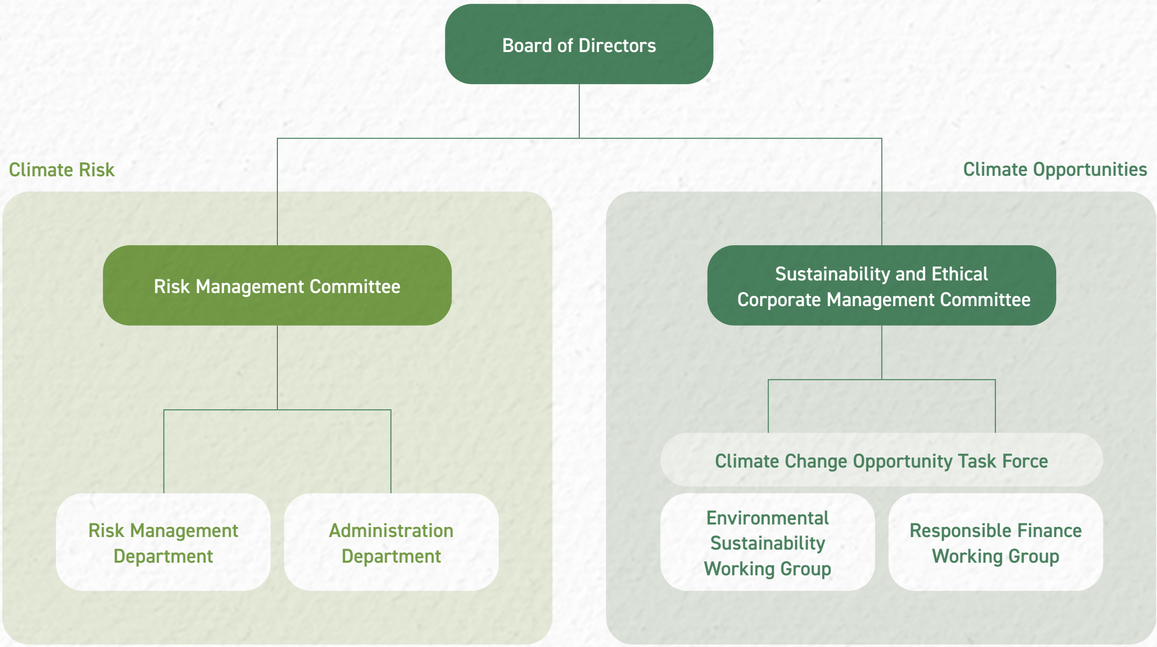
5.1 Climate Change Management

Since 2022, the Company has followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to progressively establish a climate change management framework. Focusing on four key dimensions, governance, strategy, risk management, and metrics and targets, the Company seeks to adapt to and manage the impacts of climate change on KGI Securities. Since 2023, the Company has independently published its "TCFD Report" to enhance the completeness and transparency of climate-related information disclosure and to respond to stakeholder expectations. For detailed climate-related financial disclosure information, please refer to the 2025 KGI Securities TCFD Report.

5.1.1 Climate Governance



Organization	Chairperson / Supervisor / Team Leader	Reporting / Meeting Frequency	Role in Climate Issues
Board of Directors	Chairman	Convene at least once per quarter	Highest Governance Body for Climate Issues
Sustainability Committee	Chairman	Quarterly	Supervisory Unit for Climate Opportunities
Risk Management Committee	Independent Director	Quarterly	Supervisory Unit for Climate Risks
Climate Change Opportunity Task Force	President Each Senior Executive	Convene as needed	Implementation Unit for Climate Opportunities
Administration Department	Department Senior Executives	Quarterly	Coordinating Unit for Climate Change and Environmental Risks in the Company's Own Operations
Risk Management Department	Department Senior Executives	Quarterly	Coordinating Unit for Climate Risks Associated with Investment Portfolios

5.1.2 Climate Strategy

Climate Risk and Opportunities

To understand the risks and opportunities that climate change may pose to the Company, the Company conducts an annual identification of climate-related risks and opportunities. The assessment considers the climate-related risk and opportunity categories recommended by the TCFD, impact pathways, timing of impacts, affected positions within the value chain, and financial impacts, and evaluates these factors in relation to the Company's various business operations. In 2025, three material climate risks and three material climate opportunities were identified.

◈ The climate risks are ranked as follows:

Risk Items	Degree of financial impact for the reporting year	Degree of future financial impact	Likelihood of occurrence	Investors' level of concern	Material/Non-material
Impact of climate regulations, market preferences, and the transition to low-carbon technologies on the company's investment, financing, and financial product and service businesses	Low	High	Moderate	Low	Material
Impact of regulatory requirements for carbon emissions and other climate-related information on the company's own operations	Low	Low	Low	Low	Material
Impact of extreme climate events on the Company's operating locations	Low	Low	Low	Low	Material
Impact of increased frequency and severity of extreme climate events on the Company's investment and financing businesses	Low	Low	Low	Low	Non-material
Impact on the Company resulting from supply chain disruptions caused by extreme climate events	Low	Low	Low	Low	Non-material
Impact on the Company's investment and financing businesses arising from investee and financing counterparties' responses to physical and transition risks	Low	Low	Low	Low	Non-material

◈ The climate opportunities are ranked as follows:

Risk Items	Degree of financial impact for the reporting year	Degree of future financial impact	Likelihood of occurrence	Investors' level of concern	Material/Non-material
Potential benefits to the Company from improved energy and resource efficiency	Low	Low	High	Low	Material
Potential benefits to the Company from implementing green procurement and supply chain management	Low	Low	High	Low	Material
Potential benefits to the Company from providing green and sustainable financial products and services	Low	Low	Moderate	Low	Material
Potential benefits to the Company from green investment and financing activities	Low	Low	Moderate	Low	Non-material
Potential benefits to the Company from engaging with investee and financing counterparties on climate-related issues and actions	Low	Low	Moderate	Low	Non-material
Potential benefits to the Company from nature- and biodiversity-related investment and financing activities, products, and services	Low	Low	Low	Low	Non-material

Note1: Degree of Future Financial Impact: Considers the potential financial impacts that climate-related risks and opportunities may have in future periods if such events occur.

Note2: Likelihood of Occurrence: Based on the probability that each risk or opportunity event may occur in the future, it is categorized as highly likely to occur, likely to occur, or unlikely to occur.

Climate Strategy Overview

To achieve the net-zero target of KGI Financial Holding, KGI Securities follows the Group's five key net-zero implementation strategies: adherence to United Nations frameworks, customer engagement targets, target industry objectives, investment and financing portfolio targets, and operational transformation targets. The Company continues to advance its net-zero efforts, including achieving net-zero carbon emissions in its own operations by 2040, fully exiting global thermal coal and unconventional oil and gas-related industries, and achieving net-zero carbon emissions across its entire asset portfolio by 2045.

Under the framework of KGI Financial Holding's "Sustainable Finance Commitment," the Company integrates the results of its climate risk and opportunity identification process and has established three key climate strategies: "Responsible Finance," "Strengthening Internal and External Communication on Climate Issues," and "Low-Carbon Transition of the Company's Own Operations and Enhancement of Climate Resilience." Through the formulation of climate strategies, the Company develops corresponding action plans based on the core values of each strategy and, through a steady approach to carbon reduction, works collaboratively to achieve the net-zero goals of the KGI Financial Holding Group.

Identify and rank material risks and opportunities based on sustainable development, risk management policies, and the Company's operating activities.

↓

Assess the financial impacts of material climate-related risks and opportunities on the Company's operations, strategy, products, and financial planning.

↓

KGI Securities Climate Strategies

Sales

Responsible Finance

Through responsible investment and the issuance of sustainable finance products, the Company incorporates ESG and climate-related factors into its business activities and leverages its financial influence.

- ✓ Responsible Investment
- ✓ Sustainable Financial Products and Services
- ✓ Management of High-Carbon-emitting Industry Exposure
- ✓ Exit from the Fossil Fuel Industry

Strengthening Internal and External Communication on Climate Issues

Strengthen TCFD climate-related information disclosure and actively engage with investee companies in accordance with the "Stewardship Principles for Institutional Investors."

- ✓ Institutional Investor Stewardship and Engagement
- ✓ Climate and Environmental Engagement Actions with Advised Companies

Operational

Low-carbon transition of the Company's own operations and enhancement of climate resilience

Continue to reduce GHG emissions, increase the use of renewable electricity, and expand the proportion of green procurement in the Company's operations and internal management.

- ✓ Reduce GHG Emissions
- ✓ Green Electricity Procurement
- ✓ Low-carbon Transition of Customer Services and Internal Operations
- ✓ Green Procurement

↓

The achievement status of metrics and targets is regularly reported by the relevant departments to the Sustainability and Ethical Corporate Management Committee and the Risk Management Committee. The Sustainability and Ethical Corporate Management Committee and the Risk Management Committee then consolidate the information and report it to the Board of Directors.

↓

Disclosure of Climate Action Performance and Target Achievement Status

5.1.3 Climate Risk Management

Climate Risk Management Responsibilities

The Company has established a comprehensive climate risk management framework, including climate risk governance and policies, to facilitate risk identification, risk assessment, risk management, risk reporting, and monitoring mechanisms. The Board of Directors serves as the highest governance body for climate-related issues, while the Risk Management Committee is responsible for overseeing and guiding the implementation of climate risk management and regularly reporting relevant matters to the Board of Directors. The Company adopts a three-lines-of-defense framework for climate risk management. The first line of defense consists of the relevant business units, which are responsible for the day-to-day management of climate risks and for ensuring the effective implementation of climate risk management-related policies. The second line of defense is provided by the Risk Management Department and the Administration Department, which monitor the management practices of the business units. The third line of defense is the Audit Department, which operates independently from the executing units and reviews compliance with and the effectiveness of various climate risk management mechanisms.

	Relevant Departments	Relevant Responsibilities
First Line of Defense	Capital Markets Department, Corporate Strategy & Planning Department , Bond Department, Proprietary Trading Department, Derivatives Department, Investment Products and Services Department	The first line of defense shall assess and respond to climate risks, particularly for business activities that are significantly affected by climate risks.
Second Line of Defense	Administration Department, Risk Management Department	The risk management-related units within the second line of defense shall effectively monitor the implementation of climate risk management by the first line of defense.
Third Line of Defense	Audit Department	The third line of defense shall assess the effectiveness of climate risk monitoring conducted by the first and second lines of defense and provide improvement recommendations when appropriate.

Climate Scenario Analysis Description

In accordance with KGI Financial Holding's standardized analytical methodology, the Company adopts the IPCC Sixth Assessment Report and NGFS scenarios to conduct physical risk and transition risk scenario analyses. Scenario analysis is conducted annually using positions as of the end of the reporting period. The information analyzed in this assessment is based on data as of December 31, 2025.

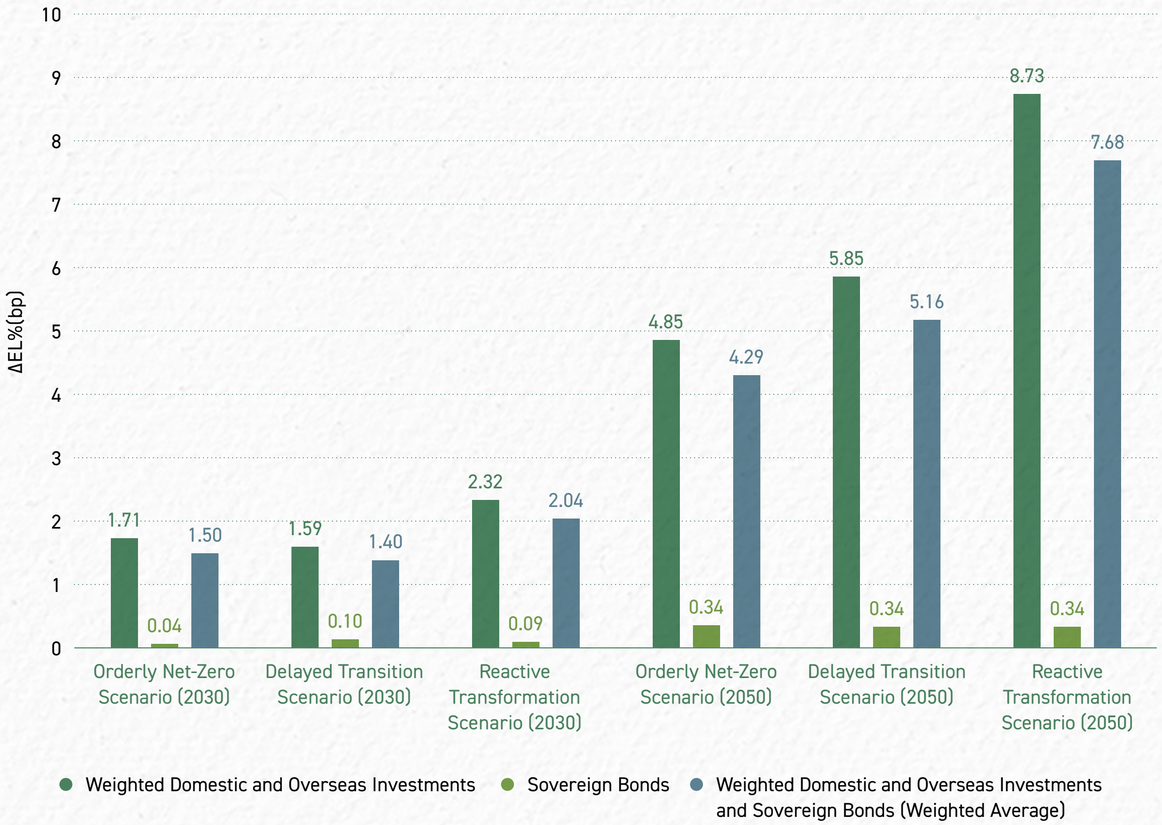
Scenario Analysis Overview

Climate Risk Type		Physical Risks & Transition Risks	Transition Risk – Policy and Regulations	Physical Risk – Immediate
		Comprehensive Climate Change Scenario Analysis	Carbon Price Impact Scenario Analysis	Flood Scenario Analysis
Climate Scenario	2° C or below 2° C	NGFS Net Zero 2050 (SSP1-1.9) NGFS Delayed Transition (SSP1-2.6)	NGFS Net Zero 2050 NGFS Delayed Transition	AR6 SSP1-2.6
	Above 2° C	NGFS Fragmented World (SSP2-4.5)	--	AR6 SSP5-8.5
Subject of Analysis	Upstream Activities	--	--	Supplier Locations (Leased Data Centers)
	Self-operations	--	--	Operating Locations
	Downstream Activities	Domestic and Overseas Equity, Corporate Bond, and Sovereign Bond Investments	Long-term Equity Investments	Investment Property
Assessment Period		Short and Long term 2030, 2050	Short, Mid-, and Long term 2030, 2035, 2040, 2045, 2050	Short and Long term 2030, 2050
Traditional Financial Risks		Credit Risk – Expected Credit Loss	Market Risk – Loss from Market Price Fluctuations	[Supplier] Operational Risk – Additional Procurement Costs [Operating Locations] Operational Risk – Asset Restoration Costs [Investment Property] Investment Risk – Asset Value Impairment

Results of Climate Change Scenario Analysis for Investment Assets

The results indicate that the overall impact on the investment portfolio would begin to merge in 2030. Among the scenarios analyzed, the additional expected credit loss rate was highest under the Reactive Transformation scenario, followed by the Orderly Transition scenario and the Delayed Transition scenario. From a long-term perspective through 2050, the expected losses of the investment portfolio under all scenarios are projected to increase further compared to 2030. Among them, the Reactive Transformation scenario shows the most significant impact, indicating that under conditions of inconsistent global transition efforts and insufficient decarbonization actions, climate risks will accumulate over time, further increasing credit deterioration and valuation pressures on the investment portfolio.

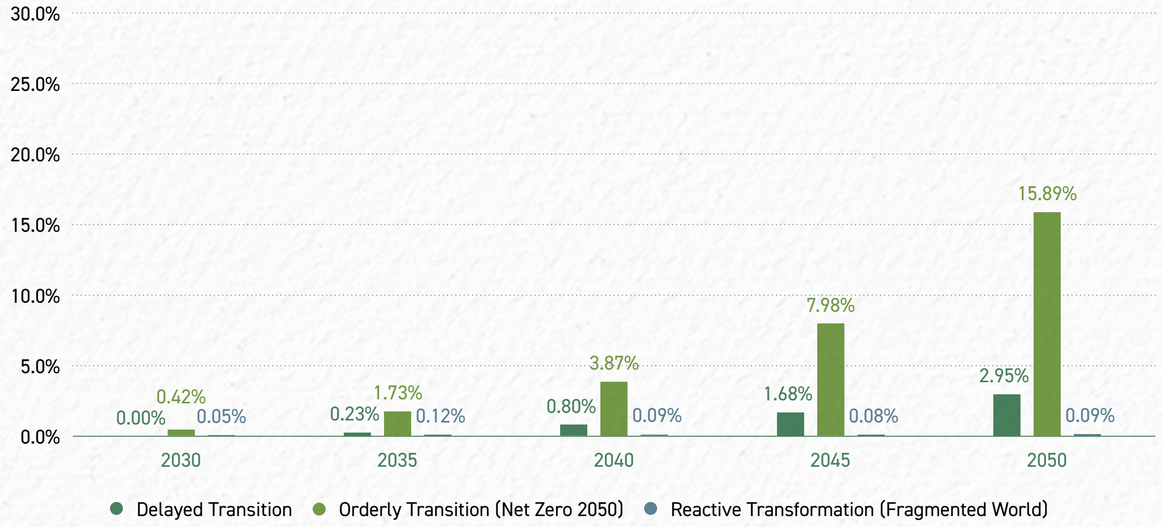
Ratio of additional expected losses to total exposure of domestic and overseas investments under different scenarios



Results of Carbon Price Transition Risk Scenario Analysis for Long-Term Equity Investment Positions

Through scenario simulation, the Company assesses the quantitative impact of carbon costs on the market risk of its long-term equity investment positions. Under the Orderly Transition Scenario, carbon prices are relatively high to facilitate a gradual transition toward achieving net-zero emissions by 2050. The highest additional expected loss in 2030 is estimated to account for 0.42% of the value of the assets held. By 2050, the highest additional expected loss is projected to account for 15.89% of the value of assets held. Under the Disorderly Transition Scenario, no additional expected losses are projected for the Company before 2030. As time progresses to 2050, the highest additional expected loss is estimated to account for 2.95% of the value of assets held. Under the Reactive Transformation Scenario, countries adopt delayed and divergent climate policies, resulting in relatively lower carbon prices. Consequently, the ratio of additional expected losses to the value of assets held is also relatively insignificant.

Ratio of Additional Expected Losses to the Value of Long-Term Equity Assets



The Company will continue to develop risk management tools, including scenario analysis, to regularly identify, assess, and monitor climate risks. Based on materiality rankings, differentiated risk management measures may be adopted, and the Company will progressively develop its climate risk appetite. Where climate risks are assessed as material operational risks, the Company will formulate corresponding response strategies and report them to the Risk Management Committee, the Sustainability and Ethical Corporate Management Committee, and other relevant bodies in accordance with the climate governance framework. In alignment with the Financial Holding Company's strategy, the Company regularly monitors and manages its sensitive exposures and has established a transition assessment mechanism for high-carbon-emitting industries. The Company also strengthens engagement with relevant industries to guide and support their low-carbon transition.

Physical Risk Scenario Analysis Results

The primary sources of physical risk for KGI Securities arise from the impairment of property values and reductions in revenue caused by operational disruptions resulting from flooding. Accordingly, the Company utilizes the Physical Risk Database of the Physical Risk Information Integration Platform for the Financial Industry to assess the hazard vulnerability levels of flood exposure at its operating locations throughout Taiwan, as well as its owner-occupied and investment properties. The Company also reviews the flood adaptation measures adopted by suppliers, properties, and operating locations and, based on these assessments, progressively strengthens its operational resilience.

- ✓ Operating Locations and Owner-Occupied Properties:The analysis results indicate that, as of the end of 2025, under both the SSP1-2.6 and SSP5-8.5 climate scenarios, 5.88% of the Company's operating locations and owner-occupied properties were located in areas classified as Flood Risk Level 2, while 94.12% were located in areas classified as Flood Risk Level 1.
- ✓ Investment Properties: Under both the SSP1-2.6 and SSP5-8.5 climate scenarios, 7.14% of the Company's investment properties were located in areas classified as Flood Risk Level 4.
- ✓ Suppliers: After taking supplier floor locations into consideration, the analysis showed that 100% of the Company's leased data center facility suppliers were located in areas classified as having a low hazard level.

Flood Hazard Vulnerability Analysis of Operating Locations and Owner-Occupied Properties

Hazard Vulnerability Level	SSP1-2.6 (temperature increase below 2° C)		SSP5-8.5 (temperature increase of 4° C)	
	Distribution of Locations	Total Losses as a Percentage of Net Income After Tax over the Past Three Years (%)	Distribution of Locations	Total Losses as a Percentage of Net Income After Tax over the Past Three Years (%)
Level 5	-	-	-	-
Level 4	-	-	-	-
Level 3	-	-	-	-
Level 2	5.88%	0.00009%	5.88%	0.00009%
Level 1	94.12%	0.000%	94.12%	0.000%
Total	100%	0.00003%	100%	0.00003%

To reduce the impacts of flooding, the Company has progressively strengthened disaster prevention measures at its operating locations and owner-occupied properties, including purchasing standby sandbags, installing flood barriers, deploying water pumps, and implementing emergency evacuation measures. Following the implementation of appropriate adaptation measures, the disaster hazard and vulnerability levels of KGI Securities' operating locations and owner-occupied properties have been reduced.

In addition to flood adaptation measures, the Company maintains insurance coverage for all locations and has established the "Operating Procedures for Reporting and Handling Abnormal Events and Major Contingencies," the "Emergency Preparedness and Response Procedures," and the "Disaster Emergency Response Procedures" to address major disaster events. At the same time, the Company is progressively establishing a Business Continuity Management Plan to ensure that critical business functions and operations can continue during major disasters, including natural disasters, thereby minimizing operational impacts and safeguarding customer interests. The Company has established the "Business Continuity Policy" and the "Business Continuity Management Guidelines for Information Operations" and has formed a Business Continuity Management Team. Through its ISO 22301 Business Continuity Management System, the Company annually conducts ISO 22301 international standard awareness training, business impact analysis and risk assessment training, and emergency response and recovery plan training for relevant personnel. The Company completed a third-party audit in March 2025, and its certification remains valid. Focusing on four key areas – alternate-site recovery, tabletop exercises, personnel evacuation drills, and system switchover drills – the Company enhances employees' disaster response capabilities to ensure that, in the event of a disruption, effective response measures can be implemented and losses minimized to an acceptable level.

5.1.4 Climate Actions, Targets, and Progress

2025 Climate Action Highlights

Responsible Finance

- ✓ In 2025, a total of 19 sustainable development bond issuances were completed, with an aggregate underwriting amount of NT$17.097 billion.
- ✓ Continue to market and sell Green Structured Bonds, Charitable Donation Structured Bonds, and ESG Funds to support a just transition.
- ✓ In 2025, the Company assisted sustainable development-related enterprises in completing 18 equity fundraising transactions.

Strengthening Internal and External Communication on Climate Issues

- ✓ The Company actively engages with investee companies. In 2025, a total of 6,952 engagement activities were conducted, including participation in shareholder voting at 1,107 investee companies' shareholders' meetings.
- ✓ In 2025, the participation rate in investee companies' shareholders' meetings reached 100%.
- ✓ With respect to internal communication, the Company continues to enhance its TCFD framework across the four core pillars and strengthen employees' awareness and understanding of climate-related issues.

Low-carbon transition of the Company's own operations and enhancement of climate resilience

- ✓ In 2025, Scope 1 and Scope 2 carbon emissions from the Company's own operations decreased by approximately 43% compared to the base year.
- ✓ In 2025, the cumulative amount of green electricity supplied reached 4,242,222 kWh, accounting for approximately 28% of total electricity consumption.
- ✓ In 2025, green procurement accounted for 19.79% of total procurement, with the procurement amount increasing by 17% compared to the previous year.

Climate Target Overview

The Company follows the decarbonization pathway validated under the SBT targets approved by the KGI Financial Holding Group in March 2025 and has established GHG reduction targets for its own operations (Scope 1 and Scope 2) and investment activities (Scope 3). The Company has incorporated "GHG emissions from its own operations" and the "percentage of investee companies with SBT targets" into its regular climate management monitoring framework as part of its efforts to achieve the Group's net-zero transition goals. The implementation status of the Company's climate targets is presented below:

Climate Strategy / Item		2025 Goals	2025 Achievement Status		2026 Short-term Goals	Mid- to Long-term Goals
Responsible Finance	Investment proportion in high-carbon industries	The investment proportion of "high-carbon-emitting industries" within "non-short-term trading" positions is below 24.5%.	✓	The investment proportion of high-carbon-emitting industries within non-short-term trading positions was 12.5%.	The investment proportion of "high-carbon-emitting industries" within "non-short-term trading" positions is below 23%.	✓ Maintain the investment proportion in high-carbon industries with an annual reduction of 0.5%–1.5%. ✓ Continue to refrain from providing direct financing and investment support for thermal coal and unconventional oil/natural gas-related projects (including new extraction projects and the continued expansion of existing projects), as well as projects of companies engaged in the continued expansion of thermal coal and unconventional oil/natural gas-related businesses [Note 1]. ✓ Before 2030, phase out most [Note 2] direct financing and investment support [Note 3] for thermal coal and unconventional oil/natural gas-related industries in industrialized countries, including European Union member states and member countries of the Organisation for Economic Co-operation and Development. **Net-zero Target** Together with the KGI Financial Holding Group, the Company has committed to the target of "reducing Scope 1 and Scope 2 emissions by 42% by 2030 in accordance with the SBTi standard and achieving net-zero emissions across the entire asset portfolio by 2045."
Internal and External Communications	Engagement Target	Within "non-short-term trading" positions, the par value of investment targets that have committed to or established SBT targets shall increase by NT$1 billion annually (base year: 2024).	✓	Within non-short-term trading positions, the par value of holdings in investment targets that have established SBT targets has achieved the annual increase target of NT$1 billion.	In alignment with the Financial Holding Company's target-setting objectives, the Company actively seeks investment targets that have established carbon reduction targets.	In alignment with the Financial Holding Company's target-setting objectives, the Company actively seeks investment targets that have established carbon reduction targets.
Sustainable Operations	Low-carbon Operational Management	Compared to the base year, Scope 1 and Scope 2 carbon emissions from the Company's own operations were reduced by 15.7%.	✓	Scope 1 and Scope 2 carbon emissions from the Company's own operations decreased by approximately 43% compared to the base year.	Scope 1 and Scope 2 carbon emissions from the Company's own operations were reduced by 21% compared to the base year, achieving the annual carbon reduction target of 4.2%.	✓ Achieve a 26.2% reduction in Scope 1 and Scope 2 carbon emissions from the Company's own operations by 2027 compared to the base year; ✓ Achieve a 42% reduction in Scope 1 and Scope 2 carbon emissions from the Company's own operations by 2030 compared to the base year; ✓ Net-zero emissions from the Company's own operations by 2040. [Note 4]
		Reduce electricity consumption by 2% compared to the previous year.	✓	Total annual electricity consumption was 15,004,538 kWh, representing a decrease of approximately 9.08% compared to the previous year.	Annual electricity consumption reduction rate of 2% compared to the previous year.	Rolling adjustments to achieve the SBTi decarbonization pathway targets.
		Reduce water consumption by 1% compared to the previous year.	✓	Total annual water consumption was 92,182 m^3, representing a decrease of approximately 2.67% compared to the previous year.	Annual water consumption reduction rate of 1% compared to the previous year.	Rolling adjustment of targets and continuous optimization of water management.

Climate Strategy / Item		2025 Goals	2025 Achievement Status	2026 Short-term Goals	Mid- to Long-term Goals
Sustainable Operations	Use of renewable energy.	Increase the overall proportion of renewable energy use, with an estimated target of 20%.	✓ The cumulative amount of green electricity supplied reached 4,242,222 kWh, with green electricity accounting for 28% of total electricity consumption.	Maintain the ratio of renewable energy use at 20%.	Rolling adjustments to achieve the SBTi decarbonization pathway targets.
	Sustainable Procurement	Local procurement amount accounting for more than 90% of total procurement.	✓ Local procurement accounted for 100% of the total procurement amount for the year.	Local procurement ratio reaching 90%.	Continue maintaining a local procurement ratio of 90%.
		"Supplier Sustainability Responsibility Commitment" signing rate of 100%.	✓ A cumulative total of 48 Sustainability Responsibility Commitments were signed, achieving a signing rate of 100%.	Maintain 100% signing rate.	Maintain 100% signing rate.
	Environmental Sustainability Initiatives	At least 8 related activities planned.	✓ A total of 10 green dining-related activities and 24 healthy light meal day activities were completed during the year.	Continue holding "Vegetarian Day" and advocacy activities in the employee cafeteria to promote green diets and sustainable agriculture.	Continue holding "Vegetarian Day" and advocacy activities in the employee cafeteria to promote green diets and sustainable agriculture.

Note1: The revenue contribution from the relevant businesses is expected to continue growing

Note2: Investment and financing targets for which revenue or power generation from the relevant industries accounts for more than 30%, and which have not proposed a low-carbon transition plan aligned with the goals of the Paris Agreement.

Note3: Directly providing funds to enterprises and institutions with financing needs, including purchasing and holding more than 10% of a corporate bond issuance in the primary market.

Note4: KGI Securities has established targets to achieve net-zero emissions from its own operations by 2040 and net-zero emissions across its entire asset portfolio by 2045, and is advancing carbon reduction management in accordance with the principles of Science Based Targets (SBT). To actively advance toward net-zero emissions, the Company has established annual GHG reduction targets. At the current stage, an annual reduction target of 4.2% serves as the guiding direction. Based on annual GHG inventory results, business development, energy consumption conditions, and the effectiveness of emission reduction measures, the Company conducts rolling reviews and adjustments of its decarbonization strategies and management practices.

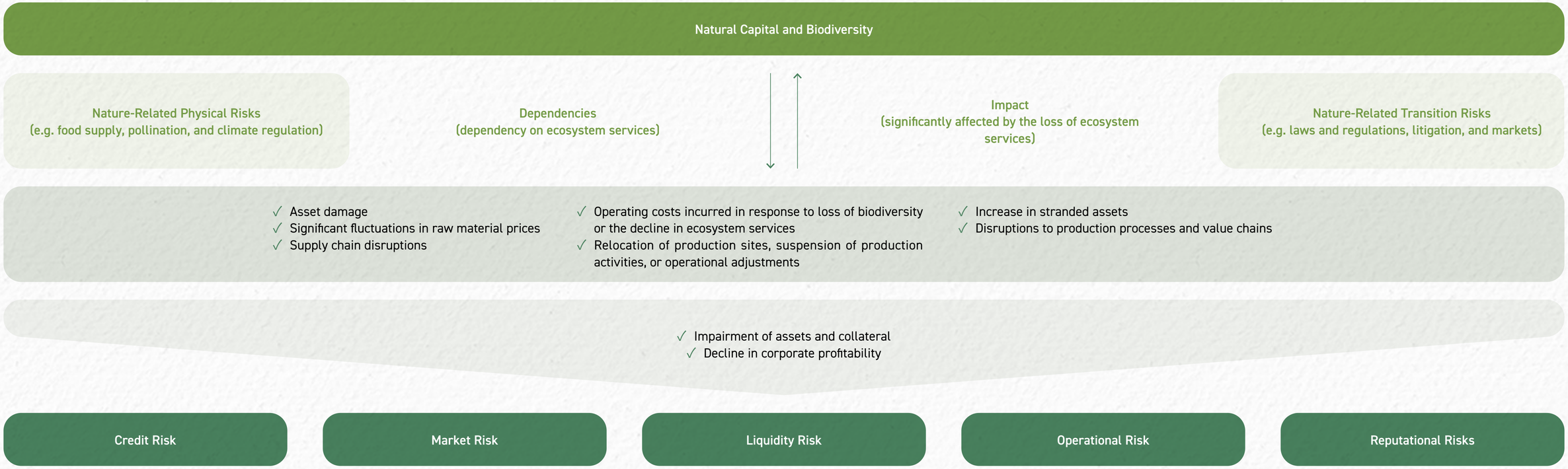
5.2 Nature-related Risk Assessment

When natural capital, including ecosystems of flora and fauna, air, water resources, and soil, is degraded, people's lives will be significantly affected, resulting in substantial impacts on environmental, economic, and social stability. Based on a risk-oriented management strategy, KGI Securities is progressively incorporating nature-related risks into its risk management framework. The KGI Financial Holding Group officially became a TNFD Adopter in August 2024 and is gradually disclosing its management of nature-related risks in accordance with the 14 disclosure recommendations of the TNFD framework. KGI Securities likewise follows the direction of KGI Financial Holding Group and is progressively enhancing its related disclosures.

For detailed information on nature-related risk assessment, please refer to Chapter 5, Nature-Related Risk Assessment, of the 2025 KGI Securities "TCFD Report."

5.2.1 How Nature-Related Risks Affect KGI Securities

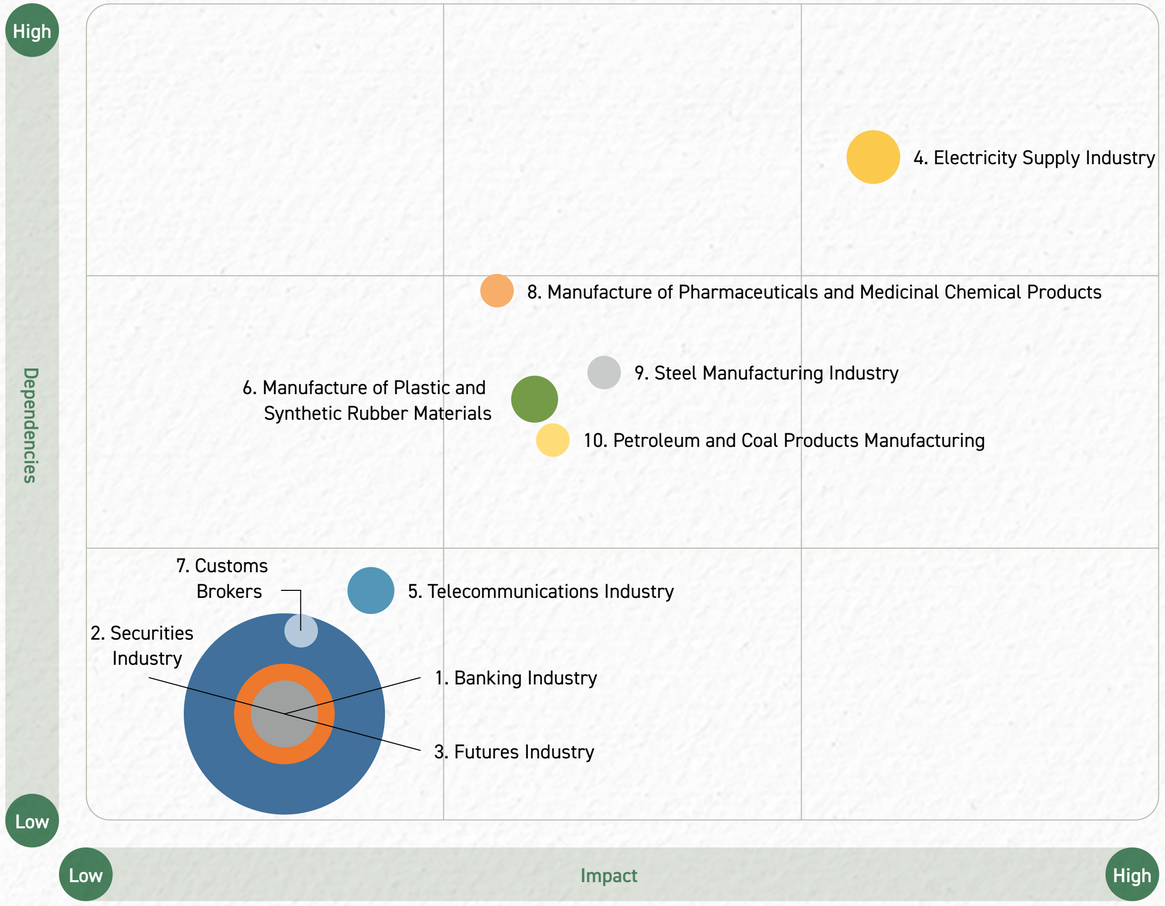
KGI Securities believes that disruptions to ecosystem services and the loss of natural capital may directly or indirectly affect the value chain of financial institutions through customers, counterparties, assets, and the economic environments in which they operate, thereby creating related risks and losses for financial business activities. On the other hand, the Company also believes that continuing to leverage its financial influence and supporting global efforts to protect and restore natural capital will contribute to a more sustainable future.



5.2.2 Identification Results of Nature-Related Risk Dependencies and Impacts

KGI Securities uses the ENCORE tool and database information updated in September 2025 to obtain data on the degree of dependency and impact of the industries in which its investees operate on natural capital as of the end of 2025. The Company then selected the top ten industries by investment portfolio balance and prepared a nature-related risk dependency and impact matrix for its investment portfolio industries.

Based on a review of the results of the Company's assessment of natural capital dependencies and impacts across its investment industries, the dependency and impact matrix for the top ten industries by investment exposure in 2025 is presented below. Overall, most industries fall within the low-dependency, low-impact category. However, certain industries exhibit both high dependency and high impact characteristics and may face elevated nature-related transition risks in the future due to nature-related policies, regulations, or market requirements.



Name of Industry	Dependency on natural capital			Impact on natural capital		
	Climate Change	Forests and Land	Oceans and Water	Climate Change	Forests and Land	Oceans and Water
Banking Industry						
Securities Industry						
Futures Industry						
Electricity Supply Industry						
Telecommunications Industry						
Manufacture of Plastic and Synthetic Rubber Materials						
Customs Brokers						
Manufacture of Pharmaceuticals and Medicinal Chemical Products						
Steel Manufacturing Industry						
Petroleum and Coal Products Manufacturing						

Note1: Bubble size represents the proportion of investment balance, and the reference numbers are ranked in descending order based on investment balance.

Note2: Industries are classified using the industry names defined in the 11th Revision of the Standard Industrial Classification issued by the Directorate-General of Budget, Accounting and Statistics.

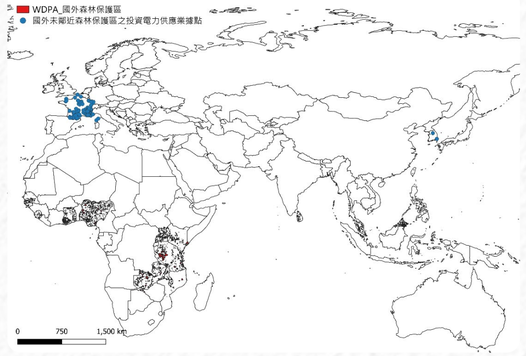
5.2.3 Nature Overlay Location Analysis

Assessment Process for Domestic Water and Forest Risk Location Analysis

In alignment with the KGI Financial Holding Group, the Company conducted its first water and forest risk location analysis assessment of investee companies this year. The assessment referenced the list of legally designated environmentally sensitive areas (Note) provided in the "Demonstration Project Report on the Application of Nature-Related Risk Data," published by the Financial Industry Net-Zero Working Platform, and primarily focused on geospatial data related to the Forestry Act, the Act on Wildlife Conservation, and the Wetland Conservation Act. The relevant geospatial datasets include Nature Reserves, Ecological Protection Areas within National Forest Enterprise Areas, Terrestrial Wildlife Refuges, Important Terrestrial Wildlife Habitats, and Nationally Important Wetlands.

According to the analysis of the proximity of overseas power supply industry investees' operating sites to overseas forest protected areas, none of the operating sites of the Company's investees are located within these protected areas, nor are any situated within a one-kilometer radius of them. There were no domestic investees in the electricity supply industry within the Company's portfolio. Therefore, there were no electricity supply industry investees whose operating sites were located within one kilometer of any legally designated environmentally sensitive area.

Note: Legally designated environmentally sensitive areas refer to areas protected by laws or other effective measures in various countries. These legally mandated protected areas reflect the ecological conservation value of the local environment.



Water Risk Location Analysis of Domestic and Overseas Operating Locations

In alignment with the KGI Financial Holding Group, the Company uses drought-related geospatial data from the Financial Industry Climate Physical Risk Information Integration Platform and the Aqueduct Tools developed by the World Resources Institute (WRI) to assess water risks at its domestic and overseas operating locations. The assessment analyzes the severity of water resource risks at domestic and overseas operating locations in 2030 and 2050 under the SSP5-8.5 scenario.

Based on the assessment of water resource risks at the Company's domestic and overseas operating locations under the SSP5-8.5 scenario, nearly 50% of these locations are projected to be situated in areas with medium-high or higher water resource risk in both 2030 and 2050. However, as the securities industry has a relatively low dependency on water resources and the KGI Financial Holding Group has already established relevant water conservation targets, the Company will continue to strengthen water resource management at its domestic and overseas operating locations exposed to higher water resource risks.

Going forward, the Company will continue to deepen its assessment of nature-related dependencies and impacts to provide more comprehensive information for decision-making. The Company will also continue to monitor and manage the industries identified above, adjust its investment positions when appropriate, and progressively shift toward industries with lower dependency on and lower impact on nature.

TNFD Implementation

In 2025, KGI Securities launched a biodiversity action project centered on "Farmland Tree Frog Conservation," further advancing the TNFD principles from disclosure to concrete action and demonstrating the Company's capability to manage its dependencies on and impacts on natural capital. This project integrates citizen science and professional ecological surveys. In the Dalin area of Chiayi, three population surveys and habitat analysis activities were completed to establish baseline distribution data for key species, identify the impacts of bamboo forest connectivity and land-use changes on species survival, and preliminarily delineate ecological hotspots and potential risk areas. During project implementation, employees were invited to participate in citizen science activities to deepen internal awareness of biodiversity issues and strengthen the connection between risks and opportunities from business operations to nature.

In addition to the biodiversity action project, KGI Securities has also responded to the KGI Financial Holding Group's regional revitalization initiative by developing the "Local Engagement × Resilience in Action" model. This initiative integrates various forms of advocacy, including ecological surveys, volunteer participation, farmers' markets, sustainable development seminars, and food and agricultural education, while simultaneously incorporating a citizen science participation mechanism. Through these efforts, employees are encouraged to evolve from "participants" into "contributors of nature-related data," thereby deepening their understanding of both corporate operations and environmental sustainability issues. In addition, the Company seeks to encourage employees, through related advocacy activities, to support habitat-friendly agricultural products in their daily lives and to adopt environmentally responsible consumption and behavioral choices. By linking individual actions with nature conservation and local industry development, these efforts align with the TNFD's emphasis on value chain impacts and behavioral transformation. In 2025, the Company also participated in the International Coastal Cleanup (ICC) and incorporated the collection and application of nature-related environmental data, gradually building its foundation and capabilities for managing nature-related data.

Overall, KGI Securities adopts "Investigation – Participation – Connection – Support" as the core framework for its actions, advancing biodiversity issues from disclosure to governance and implementation. Guided by the Group's strategic planning, the Company is progressively strengthening its integration with local development initiatives to establish a scalable approach to nature-related risk management and opportunity identification, demonstrating a sustainable practice model for the financial industry in promoting nature-positive outcomes and shared prosperity with local communities.

5.3 Green Operations

KGI Securities complies with environmental regulations and international standards and supports the Paris Agreement 1.5 ° C target and Taiwan's 2050 net-zero emissions target. The Company is committed to appropriately protecting the natural environment and strives to achieve environmental sustainability objectives in the course of its business operations and internal management activities.

The Company has comprehensively considered the impacts of its operations on the environment and ecological benefits, reduced resource waste at the source, implemented various measures to lower resource and energy consumption, and promoted a range of environmental sustainability initiatives. Through these concrete actions, the Company contributes to environmental sustainability. In 2025, the Company's headquarters building was once again recognized with the Taipei City Zero Carbon Benchmark Award – Exemplary Award in recognition of its outstanding achievements in carbon reduction and energy conservation.

To realize its vision of green operations, the Company is committed to implementing relevant policies. The results achieved are as follows:

- ✓ **Energy Management:** The Company has implemented the ISO 50001 Energy Management System since 2018 and continues to maintain valid certification. Since 2022, the Company has progressively introduced renewable energy, promoted energy transition, and continuously increased the proportion of renewable energy use.
- ✓ **Environmental Management:** The Company established a Board-level Sustainability Committee in 2023, with the Environmental Sustainability Task Force responsible for promoting and tracking related initiatives. In 2024, the Company adopted an Environmental Policy, completed the implementation and external verification of the ISO 14001 Environmental Management System for its headquarters building, and continues to maintain valid certification.
- ✓ **GHG Management:** Since 2017, the Company has continuously conducted GHG inventories and external verifications in accordance with the international standards. In 2024, the scope was expanded to cover all overseas locations. The inventory covers Scope 1, Scope 2, and Scope 3 emissions, and a GHG inventory management system has been introduced to enhance data management and analysis. The organizational inventory coverage rate reached 100% and continues to pass external verification.
- ✓ **Green Operations:** The Company continues to promote green office practices and green consumption and joined the Green Lifestyle Partnership in 2025. At the same time, the Company continues to cultivate green professionals and strengthen its sustainability governance and operational capabilities.

5.3.1 GHG Emissions Reduction and Energy Mix Management

KGI Securities is committed to reducing GHG emissions and increasing the proportion of renewable energy use, which are key components of its overall carbon management strategy. For Scope 1 and Scope 2 GHG emissions, the Company has established corresponding decarbonization strategies, namely "low-carbon operations management" and "renewable energy use." In 2025, total Scope 1 and Scope 2 emissions decreased by approximately 43% compared to the 2022 base year. The Company continues to implement low-carbon operations management measures and reduce GHG emissions to mitigate the environmental impacts of its operations.

◈ KGI Securities Scope 1 and Scope 2 GHG Emissions, 2023 to 2025 (unit: tCO_2e)

Scope of GHG Inventory		2023	2024	2025
Direct GHG emissions (Scope 1)	KGI Securities	507.63	440.25	460.76
	Domestic Subsidiary	41.08	22.17	20.70
	Overseas Subsidiary	20.11	48.75	37.91
	Total	568.82	511.17	519.37
Indirect GHG emissions (Scope 2)	KGI Securities	5,967.87	5,235.88	4,166.28
	Domestic Subsidiary	665.50	469.68	342.59
	Overseas Subsidiary	809.42	803.82	696.56
	Total	7,442.79	6,509.38	5,205.42
Total GHG emissions (Scope 1 + Scope 2)	KGI Securities	6,475.50	5,676.13	4,627.04
	Domestic Subsidiary	706.58	486.68	363.29
	Overseas Subsidiary	829.53	852.57	734.47
	Total	8,011.61	7,015.38	5,724.80
Emissions Per Capita		2.1	1.72	1.34
Carbon Intensity (tCO_2e/NT$ millions of net revenue)		0.28	0.19	0.15

Note1: Data are inventoried using the operational control approach. In 2025, the organizational boundary of the inventory included KGI Securities and its subsidiaries in Taiwan: KGI Securities Investment Consultant Co., Ltd., KGI Futures Co., Ltd., KGI In-surance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd., as well as the Company's overseas branches in Hong Kong, Singapore, and Indonesia. Scope 2 emissions are calculated on a market-based basis.

Note2: GHG emissions per capita = Total GHG emissions / Number of full-time employees within the inventory boundary (including contract employees), totaling 4,270 employees.

Note3: The inventory was conducted in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard, and the Guidelines for Greenhouse Gas Inventory Registration.

Note4: The inventory methodology follows the GHG Protocol and the Guidelines for Greenhouse Gas Inventory Registration. Emission factors and Global Warming Potentials (GWPs; IPCC Sixth Assessment Report, 2023) are primarily based on Version 3.0.0 of the Ministry of Environment's Greenhouse Gas Inventory Registration Form and Version 6.0.4 of the Greenhouse Gas Emission Factor Management Table. Purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution of raw materials, waste generated in operations, business travel, employee commuting, upstream leased assets, downstream transportation and distribution of products, use of sold products, and end-of-life treatment of sold products have been verified by the independent third party, PwC.

Note5: Carbon intensity is calculated based on total revenue disclosed in the Company's consolidated financial statements for 2023 to 2025, which amounted to NT$28,451,953 thousand in 2023, NT$37,447,299 thousand in 2024, and NT$38,787,885 thousand in 2025. The carbon emissions-to-revenue ratios for 2023, 2024, and 2025 were 0.28, 0.19, and 0.15, respectively.

KGI Securities Scope 1 Emissions by Category and Proportion in 2025 (unit: tCO_2e)

Region	Emission Types	CO_2	CH_4	N_2O	HFCs	PFCs	SF_6	NF_3	Total
Taiwan	Emissions	177.08	56.57	1.38	246.44				481.46
	Proportion	36.78%	11.75%	0.29%	51.18%				100%
Overseas	Emissions	23.54	1.14	12.97	0.26	-	-	-	37.91
	Proportion	62.11%	3%	34.20%	-	-	-	-	100%

KGI Securities Scope 3 GHG Emissions, 2023 to 2025 (unit: tCO_2e)

Category Items		2023 Emissions			2024 Emissions			2025 Emissions		
		KGI Securities	Domestic Subsidiary	Overseas Subsidiary	KGI Securities	Domestic Subsidiary	Overseas Subsidiary	KGI Securities	Domestic Subsidiary	Overseas Subsidiary
C.1	Purchased goods and services	0.00	0.00	30.39	627.36	15.36	22.43	53.42	5.99	17.38
C.2	Capital goods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C.3	Fuel- and energy-related activities	1,227.68	119.22	23.30	1,084.57	94.06	22.60	1,058.45	85.71	153.11
C.4	Upstream transportation and distribution of raw materials	0.00	0.00	0.27	0.66	0.01	0.37	0.74	0.02	0.61
C.5	Waste generated in operations	79.16	6.04	13.70	140.17	12.29	15.91	141.13	12.11	15.92
C.6	Business travel	123.12	12.15	171.62	114.65	24.54	203.39	107.45	24.12	189.07
C.7	Employee commuting	0.00	0.00	0.00	0.00	0.00	121.89	0.00	0.00	213.92
C.8	Upstream leased assets	8.30	0.33	0.00	1,500.76	0.49	0.00	2,886.35	0.5	0.00
C.9	Downstream transportation and distribution of products	0.00	0.00	0.00	0.20	0.00	0.00	0.24	0.00	0.00
C.10	Processing of sold products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C.11	Use of sold products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C.13	Downstream leased assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C.12	End-of-life treatment of sold products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C.14	Franchises	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C.15	Investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Scope 3 Total Emissions		1,438.26	137.74	239.28	3,468.37	146.75	386.59	4,247.78	128.45	590.01

Note1: In 2025, the organizational boundary of the inventory included KGI Securities and its subsidiaries in Taiwan: KGI Securities Investment Consultant Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd., as well as the Company's overseas branches in Hong Kong, Sin-gapore, and Indonesia.

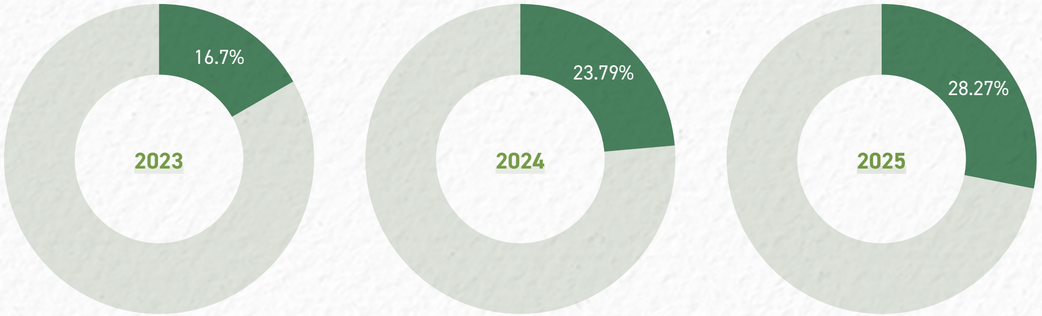
Note2: The inventory methodology follows the GHG Protocol and the Guidelines for Greenhouse Gas Inventory Registration. Emission factors and Global Warming Potentials (GWPs; IPCC Sixth Assessment Report, 2023) are primarily based on Version 3.0.0 of the Ministry of Environment's Greenhouse Gas Inventory Registration Form and Version 6.0.4 of the Greenhouse Gas Emission Factor Management Table, while secondary data sources are obtained from the Product Carbon Footprint Information Platform. Purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution of raw materials, waste generated in operations, business travel, employee commuting, upstream leased assets, downstream transportation and distribution of products, use of sold products, and end-of-life treatment of sold products have been verified by the independent third party, PwC.

Energy Mix Management

With respect to energy mix management, KGI Securities continues to increase the proportion of renewable energy use and actively promotes energy transition. Since 2022, KGI Securities, together with its subsidiaries and other tenants in the Dazhi headquarters building, has entered into a five-year Power Purchase Agreement (PPA) with a renewable energy retailer. Under the agreement, the parties jointly procure 3 million kWh of renewable electricity annually and adopt a bundled electricity-and-certificate arrangement, under which renewable electricity and renewable energy certificates are purchased together.

In addition, beginning in March 2024, KGI Securities partnered with its futures subsidiary to jointly increase renewable energy purchases by 1.45 million kWh per year. The Company continues to expand the number of locations using renewable energy, achieving its goal of utilizing renewable energy across all headquarters buildings in Taiwan and reaching a renewable energy usage ratio of 28.27% in 2025.

KGI Securities Renewable Energy Usage Ratio



In addition, to actively achieve the carbon neutrality target for the Financial Holding Company's headquarters building in 2024, KGI Financial Holding participated in the first international carbon credit transaction on the Taiwan Carbon Solution Exchange in December 2023, purchasing 3,000 metric tons of carbon credits from a wind power project in India. The Company also participated in the transaction and purchased 50 metric tons of carbon credits. The project utilizes renewable energy to replace conventional fossil fuel-based power generation. As no GHG emissions are generated during the electricity generation process, the project helps reduce overall GHG emissions and promotes sustainable development. To achieve the KGI Financial Holding headquarters building carbon neutrality target for 2024, the Company, together with the Group, applied the purchased carbon credits to offset emissions from its own operations, including those of the headquarters building. In 2025, 4 metric tons of carbon credits were utilized, and verification was conducted by DNV in accordance with ISO 14068-1.

KGI Securities Renewable and Non-Renewable Energy Consumption, 2023–2025

Energy Consumption	Statistical Unit	2023	2024		2025	
		Taiwan	Taiwan	Overseas	Taiwan	Overseas
Purchased electricity (non-renewable energy)	Megawatt-hours (MWh)	13,400.75	11,549.73	1,347.11	9,512.37	1,249.95
Renewable energy (electricity)	Megawatt-hours (MWh)	-	-	-	-	-
Purchased renewable energy (electricity)	Megawatt-hours (MWh)	2,693.29	3,606.05	-	4,242.22	-
Total electricity	Megawatt-hours (MWh)	16,094.04	15,155.77	1,347.11	13,754.59	1,249.95
	Megawatt-hours (MWh) per capita	4.71	4.26	2.61	3.72	2.20
Natural gas	Total consumption (kWh)	73,575.00	74,628.00	-	70,402	-
Gasoline	Total consumption (L)	28,610.89	24,237.87	12,074.00	18,910.25	9,734.49
Diesel	Total consumption (L)	708.90	2,183.20	567.00	771.80	505.02
Total non-renewable energy consumption	Megawatt-hours (MWh)	14,391.08	12,521.90	1,454.64	10,310.21	1,336.85
Total energy consumption	Megawatt-hours (MWh)	17,084.36	16,127.95	1,454.64	14,552.44	1,336.85
Total energy consumption	Gigajoules (GJ)	61,503.71	58,060.56	5,236.69	52,388.73	4,812.65
Energy consumption per capita	Gigajoules (GJ)	17.98	16.30	10.15	14.15	8.45

Note1: In 2025, the organizational boundary of the inventory included KGI Securities and its subsidiaries in Taiwan: KGI Securities Investment Consultant Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd., as well as the Company' s overseas branches in Hong Kong, Singapore, and Indonesia.

Note2: 1 megawatt-hour (MWh) of electricity consumption is equivalent to 3.6 gigajoules (GJ).

Note3: 1 kilocalorie (kcal) equals 0.000004 GJ; 1 GJ equals 0.277777778 MWh.

Note4: Converted based on the "Heating Values of Vehicle Gasoline, Diesel, Liquefied Petroleum Gas, and Natural Gas for 2025" announced on the Bureau of Energy website. The heating values are 8,067 kcal per unit (cubic meter) for natural gas, 7,586 kcal per liter for gasoline, and 8,636 kcal per liter for diesel.

Implementation of Voluntary Energy-saving Actions

Since 2022, KGI Securities has continuously implemented various energy-saving measures, including replacing aging chilled water system equipment, using LED lighting, enabling power-saving modes for office equipment, desktop computers, and laptops, adjusting and shortening air conditioning operating hours, and regularly reviewing electricity consumption, all with the aim of improving energy efficiency. In 2025, KGI Securities continued its energy-saving initiatives from previous years, progressively expanding the scope of energy-efficient equipment installations and implementing other specific measures. As a result, total annual electricity consumption was reduced by 1,498,347 kWh, representing an electricity-saving rate of approximately 9%, exceeding the annual electricity reduction target of 2%.

Equipment-related Energy-saving Measures	2023			2024			2025		
	Statistical Unit	Electricity savings (kWh)	Annual carbon reduction (tCO_2e)	Statistical Unit	Electricity savings (kWh)	Annual carbon reduction (tCO_2e)	Statistical Unit	Electricity savings (kWh)	Annual carbon reduction (tCO_2e)
Installation of LED lighting fixtures	233 fixtures	3,375	1.7	3,829 fixtures	323,514	159.82	2,416 fixtures	85,006	40.2930
Replacement of low-efficiency chillers	2 chillers	149,365	73.9	4 chillers	161,400	79.73	4 chillers	213,239	101.0752
Total		152,740	75.6		484,914	239.55		298,245	141.3682

5.3.2 Water Resources and Waste Management

Reducing waste at the source and conserving the use of all resources have always been the core principles of KGI Securities' resource conservation management.

Since 2021, KGI Securities has continuously upgraded its water-saving facilities by installing water-efficient toilets, adjusting faucet water flow, and modifying daily washing and cleaning procedures in the employee cafeteria. The Company also regularly reviews water consumption to reduce unnecessary use and routinely manages and maintains water supply equipment and pipelines. In 2025, seven water leakage incidents were attributed to failures in the Company's own equipment or pipelines. An additional eight incidents were caused by factors unrelated to the Company's equipment, including building equipment maintenance, cleaning, or damage. All incidents were repaired promptly upon discovery. The Company's primary water consumption is for domestic use, the employee cafeteria, and air conditioning systems. All water is supplied by local municipal water utilities, with no groundwater or surface water withdrawn from rivers. In addition, the employee cafeteria at the Dazhi headquarters building is equipped with a grease trap, which is cleaned regularly to reduce water pollution. In 2025, there were no leakage incidents resulting in water pollution.

◈ Water Consumption Statistics

Statistics	2023	2024	2025
Water Consumption (thousand cubic meters)	102.51	94.71	92.18
Water Consumption Per Capita (thousand cubic meters)	0.0300	0.0266	0.0249
Carbon Emissions (tCO_2e)	15.99	14.78	13.83

Note1: In 2025, the organizational boundary of the inventory included KGI Securities and its subsidiaries in Taiwan: KGI Securities Investment Consultant Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd. Although inventories were also conducted for the Company's overseas locations, they were not included within the scope of this disclosure because separate identifiable water consumption data were unavailable.

Note2: The Company's water withdrawal is equal to its water consumption.

Note3: All of the Company's water is sourced directly from the Taiwan Water Corporation. Taiwan is not classified as a water-stressed area, and the total dissolved solids (TDS) in the water quality tests are all ≤ 1,000 mg.

Note4: Carbon emissions equivalent from water withdrawal/consumption is calculated based on the CO_2e generated per unit of water produced as announced by the Taiwan Water Corporation: The emission factor used was 0.156 kg CO_2e per unit in 2023, 0.156 kg CO_2e per unit in 2024, and 0.150 kg CO_2e in 2025.

Note5: Water withdrawal/consumption per capita = Total water withdrawal/consumption / Number of full-time employees within the inventory boundary (including contract employees), totaling 3,701 employees.

KGI Securities continues to implement waste reduction measures by promoting the reduction of general waste, enforcing waste sorting and recycling, and integrating these efforts with environmental sustainability initiatives. The Company also actively promotes waste reduction and plastic reduction concepts to enhance employees' environmental awareness and jointly advance waste reduction at the source. At the same time, the Company continues to support sustainable forest management by giving priority to the procurement of copy paper certified by the FSC or PEFC, thereby reducing impacts on forest resources and the risk of ecosystem conversion.

In addition, the Company has partnered with the ASUS Foundation to promote a recycling and reuse program for discarded laptops and electronic devices, thereby advancing resource circularity and extending product life cycles. As of January 2026, a total of 1,946 electronic devices had been collected for recycling, resulting in an estimated reduction of approximately 44.612 metric tons of CO_2 emissions, equivalent to avoiding the felling of approximately 3,717.541 trees, demonstrating the Company's tangible achievements in low-carbon operations and sustainable living.

Beginning in 2025, the Company included its overseas locations within the reporting boundary. Total non-recyclable waste amounted to 77.23 metric tons, recyclable waste totaled 7.91 metric tons, and total waste generation for the year was 85.14 metric tons. Waste generation at the Company's Taiwan locations is presented in the table below.

Waste Generation Statistics at Taiwan Locations (unit: metric tons)

Waste Type		2023 (Securities Dazhi Headquarters Building)	2023 (Other Operating Locations)	2024 (Securities Dazhi Headquarters Building)	2024 (Other Operating Locations)	2025 (Securities Dazhi Headquarters Building)	2025 (Other Operating Locations)
Non-recyclable	General waste – landfill disposal	3.25	9.66	3.05	13.47	3.20	14.42
	General Waste – Incineration for energy recovery	57.86	171.95	61.77	273.14	63.48	285.93
Total non-recyclable waste amount		64.01	61.11	64.82	286.61	66.68	300.35
Recyclable	Food waste	44.8	-	44.35	-	44.8	0
	Recyclable waste(including paper, PET bottles, and aluminum cans)	20.49	60.89	22.41	49.63	21.02	47.97
Total recyclable waste amount		65.29	60.89	66.76	49.63	65.82	47.97
Total waste amount		126.40	242.50	131.58	336.24	132.5	348.32
Recycling and energy recovery rate through incineration		97.43%	96.02%	97.68%	96%	97.58%	96%

Note1: Other operating locations refer to the branches, operating locations, and other domestic subsidiaries of KGI Securities, excluding the Dazhi headquarters building, that were included within the Company's 2025 inventory boundary.

Note2: In 2025, the number of full-time employees within the inventory boundary at the KGI Securities Dazhi headquarters building was 1,033 (including contract employees). The number of full-time employees within the inventory boundary at the other operating locations totaled 2,668 (including contract employees), bringing the total to 3,701 employees.

Note3: Waste data for the Dazhi headquarters building (including recyclable waste) are based on actual weighed measurements. General waste data for the other operating locations were estimated by multiplying the Ministry of Environment' s daily per capita waste generation figure of 1.373 kg by the number of working days announced by the Directorate-General of Budget, Accounting and Statistics, multiplying the result by one-third, and then multiplying by the total number of employees at the other operating locations. Following the inventory, the per capita amount of non-recyclable waste generated at the Dazhi headquarters building was calculated and then multiplied by the total number of employees at the other locations to estimate their non-recyclable waste. Likewise, the per capita amount of recyclable waste generated at the Dazhi headquarters building was multiplied by the total number of employees at the other locations to estimate their recyclable waste generation.

Note4: Based on the Waste Disposal Statistics announced by the Ministry of Environment, Executive Yuan, in May 2023, using the three-year average data from 2020 to 2022, it was estimated that 94.68% of non-recyclable waste was treated through incineration and 5.32% through sanitary landfill. These proportions were used for estimation. The 2025 waste generation calculation was based on the Ministry of Environment' s 2025 Environmental Protection Statistical Yearbook, using the three-year average data from 2022 to 2025. For general waste treatment, it was estimated that 95.2% of waste was treated through incineration and 4.8% through landfill, and these proportions were used for estimation.

Implementation of Paperless Policies

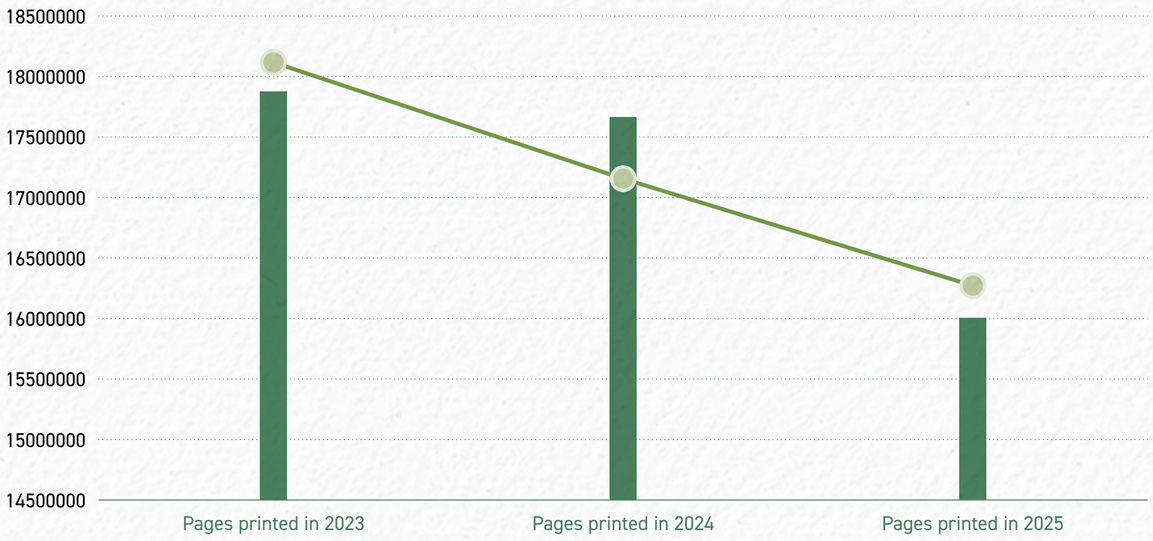
To support environmental sustainability, KGI Securities actively promotes paperless business services, including value-added video-based electronic signature services, online and app-based order placement, and electronic statements. At the same time, the Company has promoted the digitalization of operational processes to reduce paper consumption by converting internal regulations and amendments, risk rating application forms, approval documents, Board meeting proposals, proposals submitted to relevant committees, and related documents into electronic formats. The quantifiable results of the Company's paperless initiatives for the year are summarized below. In total, the Company saved 721,953 sheets of paper and 11,542 paper bags, equivalent to a reduction of 6.61 metric tons of CO_2 equivalent (tCO_2e).

Digitalization of Operations		Number of sheets saved in 2023	Number of sheets saved in 2024	Number of sheets saved in 2025
Digitalization of important meetings	Board meeting proposals and agendas for important meetings digitized	169,291	168,672	183,632
Procurement Operating System	Procurement operations digitized	21,625	20,636	22,928
Electronic Document Management System	External correspondence, official documents, and other documents received and sent through the electronic document management system.	108,340	114,470	115,420
Electronic Official Correspondence System	Internal approval forms digitized.	629,642	483,809	399,973
Total number of sheets of paper saved		928,898	787,587	721,953
Total number of kraft paper bags saved		10,831	11,447	11,542
Approximate reduction in metric tons of CO_2 equivalent (tCO_2e).		8.8	7.1	6.61

Note: The approximate reduction in metric tons of CO_2 equivalent (tCO_2e) is calculated based on the emission factors published on the Ministry of Environment' s Product Carbon Footprint Information Platform: approximately 0.0072 kg CO_2e per A4 sheet of paper and approximately 0.122 kg CO_2e per kraft paper bag.

In addition, to support the circular economy, KGI Securities leases multifunction copiers bearing environmental and energy-efficiency labels, implements print management, encourages double-sided and multiple-pages-per-sheet printing, and promotes the reuse of recycled paper. The Company also uses environmentally friendly toner cartridges, which are collected by the supplier for recycling and reuse. In 2025, the number of pages printed using multifunction copiers continued to decline, decreasing by 9.3% compared to the previous year.

Number of pages printed over the past three years



5.4 Sustainable Procurement

KGI Securities actively supports the government's green policies and jointly implements green procurement initiatives. Together with KGI Financial Holding, the Company held its annual Supplier Conference on Earth Day, April 22, 2025, featuring an ESG keynote seminar on the theme of the circular economy to work with Group suppliers in advancing the shared goal of resource circularity. A total of more than 100 suppliers participated. During the conference, the achievements of KGI Financial Holding Group and its subsidiaries in putting corporate sustainability into practice were shared, demonstrating the Group's corporate influence and its collaboration with suppliers to build a sustainable supply chain.

Green Procurement Principles

The Company is committed to supporting sustainable procurement and actively implements three core principles: the principle of identifying actual needs, green procurement, and local procurement. By adhering to these three principles, the Company seeks to ensure that the products and services it procures are aligned with the spirit of the UN SDG 12, "Responsible Consumption and Production":

- ✓ The "principle of identifying actual needs" enables KGI Securities to assess its actual requirements more effectively, avoid unnecessary or excessive procurement, conserve resources, and reduce waste.
- ✓ Through the "green procurement" principle, KGI Securities encourages the selection of environmentally friendly products and services to reduce environmental impacts.
- ✓ Adhering to the "local procurement" principle not only supports local economic and community development but also helps reduce carbon emissions and logistics-related transportation costs.

By implementing these measures through the three principles of sustainable procurement, KGI Securities demonstrates its firm commitment to responsible consumption and production in its operations through concrete actions and remains dedicated to advancing sustainable development and fulfilling its corporate social responsibility.

Principle of Identifying Actual Needs

Identify procurement needs based on actual operational requirements and strive to conserve resources by adopting the core principle of procuring only what is necessary and in appropriate quantities, thereby avoiding resource waste.

Green Procurement

Give priority to equipment and products that are low-polluting, energy-efficient, recyclable, and certified with environmental labels. Avoid procuring single-use items and continue to encourage suppliers to obtain or offer products with environmental certifications.

Local Procurement

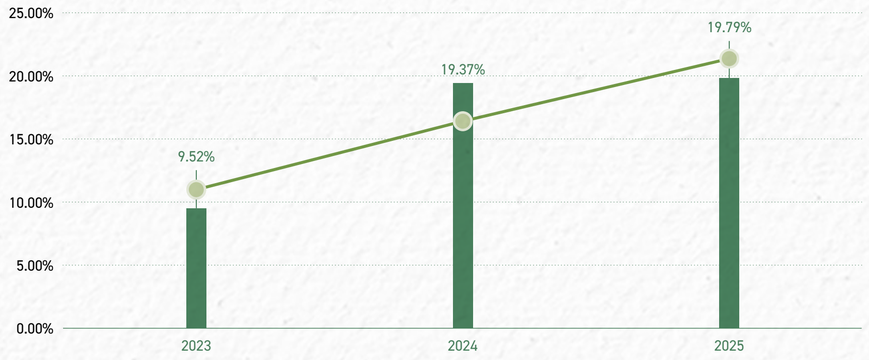
To reduce unnecessary losses and resource consumption during product transportation while supporting local economic development, the Company actively procures products and services from local enterprises in Taiwan.

To achieve its operational net-zero decarbonization targets and mitigate climate change-related risks, KGI Securities will continue to implement and promote its green procurement policy by prioritizing environmentally friendly products and renewable energy in its procurement activities. The Company has also established required and priority procurement categories under its green procurement policy and has classified energy consumption needs to maximize resource efficiency and progressively achieve its energy conservation objectives.

Required Green Procurement Items	Priority Green Procurement Items
1. Servers, desktop PCs, laptops, monitors, and other equipment procured under procurement contracts are exclusively products certified with Energy Star or other recognized environmental labels. 2. Copy paper procured under procurement contracts consists exclusively of paper products certified by environmental labeling schemes such as FSC and PEFC. 3. Leased multifunction copiers and their toner cartridges and drum cartridges, as well as toner cartridges procured for printers under procurement contracts, exclusively use products certified with recognized environmental labels. 4. The Company selects office equipment suppliers with circular economy certifications as its business partners. Through the suppliers' toner cartridge recycling systems, used toner is collected and remanufactured into water-based black pigment for reuse, thereby promoting resource circularity, reducing the demand for virgin carbon black raw materials, contributing to the circular economy, and minimizing adverse environmental impacts.	1. For leased company vehicles, priority is given to products certified with recognized environmental labels; for services, priority is given to providers offering products or services with carbon reduction labels. 2. For renovation projects, priority is given to products certified with Green Building Material Labels and Water Conservation Labels. 3. For all types of equipment and electrical appliances, priority is given to products certified with recognized environmental labels, Energy Conservation Labels, or Energy Star certification. 4. Priority consideration is given to, and suppliers are encouraged to obtain, ISO certifications related to energy conservation and carbon reduction for themselves or for the products and services they provide, such as ISO 14001 Environmental Management, ISO 50001 Energy Management, ISO 14067 Product Carbon Footprint, and ISO 14064 Greenhouse Gas Inventory certifications.

Through rigorous management of its green procurement practices, KGI Securities achieved a green procurement ratio of 19.79% in 2025 (with green procurement expenditures of approximately NT$130,582,274), representing a 17% increase compared to 2024.

Green Procurement Ratio



Supplier Management System

In addition to implementing green procurement internally, the Company continues to strengthen its external supplier management system in accordance with KGI Financial Holding Group's policies and has established the Supplier Sustainability Management Guidelines. Through measures including pre-screening, contract performance management, on-site audits, annual supplier evaluations and self-assessments, periodic supplier corporate responsibility advocacy, and annual recognition of outstanding suppliers, the Company requires all suppliers to sign the Supplier Sustainability Responsibility Commitment, which explicitly states: "The undersigned agrees to comply with its own and the Company's sustainable development and ethical corporate management policies. If any violation occurs, or if any conduct causing significant environmental or social impacts or material unethical behavior is verified, the Company shall have the right to terminate or rescind the contract in accordance with its terms." Together with its suppliers, the Company is committed to complying with relevant requirements relating to labor rights and human rights (including the prohibition of child labor), employee health and occupational safety and health, environmental protection, and ethical corporate management, thereby promoting balanced economic, social, and environmental development as well as the sustainable operation of business partnerships.

In accordance with the Supplier Sustainability Management Guidelines, KGI Securities actively communicates the following requirements to its suppliers:

Protection of Labor Rights	Environmental Maintenance	Ethical Corporate Management Regulations
The Company communicates relevant occupational safety and health laws and regulations to its suppliers and emphasizes the following labor rights protection issues: (I) The employment of child labor shall comply with applicable laws and regulations. (II) Prohibition of forced labor. (III) Prohibition of any form of discrimination. (IV) Respect freedom of association and collective bargaining. (V) Comply with applicable laws and regulations relating to employee health and occupational safety and health, and adhere to the Company's engineering safety, occupational health, and environmental management requirements.	(I) Suppliers are encouraged to emphasize environmental protection and energy conservation, foster a corporate culture that supports environmental sustainability, and remain committed to protecting the planet, conserving resources, and promoting environmental protection and energy efficiency. (II) Suppliers are encouraged to ensure that their operations do not cause significant adverse environmental impacts or violate environmental laws and regulations, and that they align with relevant environmental policy objectives. (III) Suppliers are encouraged to fulfill their corporate social responsibility and obligations, including: 1. Comply with corporate social responsibility-related policies. 2. If a supplier is found to have violated its corporate social responsibility commitments (including, but not limited to, the protection of labor rights, environmental protection,and consumer protection), resulting in significant adverse environmental or social impacts, the Company may terminate or rescind the relevant contract in accordance with the applicable contractual provisions.	(I) Suppliers are encouraged to comply with the Ethical Corporate Management Best Practice Principles and other relevant requirements, including but not limited to ethical corporate management, fair trade, transparent information disclosure, and the prevention of improper benefits and false advertising, as well as complying with regulations relating to intellectual property rights. (II) When entering into contracts with suppliers, the Company requires suppliers, based on the principles of ethical corporate management, to conduct transactions with the Company in an open and transparent manner. If a supplier is found to have engaged in material unethical conduct, the Company may terminate or rescind the relevant contract in accordance with the applicable contractual provisions.

5.5 Co-creating Sustainable Society

KGI Securities follows the "Sustainability Principles" by incorporating the concept of sustainable development into its overall operations and management policies. With corporate governance, sustainable environmental development, and the promotion of social welfare as its core principles, the Sustainability and Ethical Corporate Management Committee oversees all matters related to sustainable development, while functional working groups are responsible for planning and implementing various initiatives. Through the integration of corporate resources, cross-departmental collaboration, and partnerships with external stakeholders, the Company promotes community engagement and educational outreach while supporting local industry development. By leveraging its corporate capabilities, KGI Securities enhances overall social well-being and creates a positive social impact. The outcomes of the Company's social impact initiatives are regularly compiled and reported to the Sustainability and Ethical Corporate Management Committee to ensure the effective implementation and continuous enhancement of its sustainable development policies. Going forward, the Company will continue to develop relevant measures, optimize its social impact implementation framework, and, through sound institutionalization and scalable development, further expand its positive impact on society and the environment.

In 2025, the Company organized a total of 492 social sustainability-related activities, with employees contributing more than 36,931.5 cumulative volunteer hours. Through these concrete actions, the Company supported the UN SDGs while demonstrating its commitment to giving back to society as a financial institution.

In alignment with the Company's overall sustainable development strategy, KGI Securities continues to promote and advance its social impact through four key dimensions: (I) Co-prosperity with Local Communities, (II) Promotion of Sustainability Awareness, (III) Social Engagement, and (IV) Sustainability Initiatives and Commitments. By transforming corporate resources into concrete and sustainable social actions, the Company continues to deepen its positive impact. The strategic framework of these four key dimensions is continuously refined through a rolling review approach. The Company regularly evaluates the effectiveness of its implementation each year, develops corresponding measures, and continuously optimizes its initiatives to broaden the scope of its social impact.

I Local Common Good Actions

In support of KGI Financial Holding Group's "Local Revitalization Action" initiative, the Company places local revitalization at the core of its efforts. By collaborating with local revitalization organizations, academic institutions, non-governmental organizations, and government agencies, the Company integrates local agricultural, cultural, and industrial resources to promote a wide range of local support initiatives. Specific initiatives include organizing farmers' markets, promoting local products, and deploying skilled corporate volunteers to support the growth of local revitalization teams and community organizations, thereby strengthening connections between the Company and local communities while promoting the development of local industries and sustainable consumption. In addition, the Company integrates educational outreach activities to enhance participants' understanding of local culture and sustainability-related issues. Through these initiatives, the Company has progressively established a support network spanning from production to consumption, thereby promoting local economic development and enhancing sustainable value.

In 2025, the Company organized a total of 54 related activities, collaborated with 11 local revitalization and local industry organizations and related teams, and cumulatively procured more than NT$1.295 million in local and environmentally friendly products and services.

On-site View of KGI Securities' Agricultural and Food Education Promotion Program

II Sustainability Awareness Promotion

The Company continues to deepen employees' understanding of sustainable development issues through training programs and experiential activities, while encouraging them to integrate sustainability concepts into their daily work and lives. Through ESG-related seminars, sustainability topic sharing sessions, and experiential activities, the Company enhances employees' awareness of environmental and nature conservation, social issues, health-related topics, and corporate responsibility, while progressively extending sustainability from knowledge acquisition to practical action. Through ongoing sustainability initiatives and participation mechanisms, the Company cultivates its employees as active practitioners of sustainable action. At the same time, it advances SDG-related initiatives through diverse approaches, aiming to expand the Company's sustainable impact on society. In 2025, the Company organized a total of 49 related activities, reaching more than 3,037 participants.

Circular Economy in Practice – Pineapple Peel Cleaner Project

In 2025, the Company organized the "Pineapple Peel Cleaner" circular economy project. The project integrated food and agricultural education, branch outreach activities, and community advocacy to promote sustainability through multiple channels, enhance stakeholders' awareness of and engagement in resource circularity, and support the spirit of the UN SDG 12, "Responsible Consumption and Production."

> In 2025, the Company carried out **13 branch** outreach activities, **1** official Facebook advocacy campaign, and **1** official LINE account advocacy campaign, reaching a total audience of **10,000 people**.

Highlights from the "Pineapple Peel Cleaner" Experiential Workshop

III Social Participation and Public Welfare Actions

The Company continues to invest in a wide range of volunteer services and public welfare activities, including environmental protection, support for disadvantaged groups, cultural preservation, sports sponsorship, public issues, charitable donations and sponsorships, and community engagement. Through these initiatives, the Company seeks to fulfill its corporate social responsibility by leveraging its corporate capabilities and participating in community development through diverse approaches. It has also progressively transformed one-time activities into sustained and institutionalized mechanisms for social and community engagement. In 2025, the Company organized a total of 382 activities, as detailed in the table below.

Activity Category	Activity Contents	Activity Outcomes
Care for Disadvantaged Groups and Education	Through a range of initiatives, including the "Love Makes Opportunities Bloom," "Nutrition 100," "Emergency Relief," and "Toy Recycling" projects, the Company provides emergency financial assistance, in-kind donations, and volunteer support to assist disadvantaged students and families in rural areas, while continuing its commitment to social care initiatives.	✓ A total of 244 activities were completed, with participation exceeding 1,446 individuals. ✓ Benefited more than 4,700 disadvantaged schoolchildren across 204 schools.
Support for Persons with Disabilities, Care for the Visually Impaired, and Equal Access to Reading	In collaboration with professional organizations such as the Parents' Association of the Visually Impaired and the Taiwan Foundation for the Blind, the Company promotes equal access to reading for the visually impaired through seminars and volunteer services, while providing learning and support resources for persons with disabilities and individuals with visual impairments.	✓ A total of 95 activities were completed, with participation of 327 individuals.
Social Participation	✓ By organizing beach cleanups, blood donation drives, and volunteer activities supporting local farmers, the Company encourages employees to protect coastal communities and marine ecosystems through tangible actions, promote public health, and help alleviate blood shortages. ✓ Organized a private screening to demonstrate support for the Taiwanese documentary "Guardians of Our Planet" through concrete action. ✓ Long-term support for a wide range of sporting events and sports-related programming. Through sponsorship of broadcasts of the "World Baseball Classic Qualifiers," the "NBA," and "VL Sports Studio," the Company promotes sports participation and supports the development of the sports industry.	✓ Completed 35 beach cleanup activities with the participation of 1,033 individuals, collecting more than 1,530 kg of marine debris. Both the number of activities and the number of participants ranked first among financial institutions. ✓ Completed 1 New Taipei City coastal adoption activity. ✓ Completed 3 blood donation activities. ✓ Completed 3 agricultural experience activities. ✓ Organized 1 film screening with 224 participants. ✓ Sports promotion activities attracted a cumulative audience of more than 25 million viewers.

Social Engagement Activity – Private Screening of the Taiwanese Documentary "Guardians of Our Planet"

The Company specially organized a private screening of the Taiwanese documentary "Guardians of Our Planet," the first documentary to advocate for the Earth's ecosystems from a Taiwanese perspective. Director Claire Shu also attended the event to share with the audience the original inspiration behind the film. Through the screening and sharing of this documentary, the Company hopes to inspire greater public engagement and encourage more people to become guardians of the natural environment.

IV Sustainability Initiatives and Commitments

The Company actively participates in domestic and international sustainability initiatives and collaborative platforms. By joining relevant alliances, supporting sustainability initiatives, and signing related commitments, the Company demonstrates its commitment to sustainable development and works together with industry partners and society to advance the sustainability transition. In 2025, the Company participated in a total of seven sustainability initiatives, including joining industry alliances (such as "RE10x10"), supporting sustainability programs launched by government agencies and civil society (such as the Ministry of Environment's "Green Lifestyle Partnership," the "Tamsui River Convention," and CommonWealth Magazine's "Temperature Rising Index for Pathways"), and supporting energy conservation, carbon reduction, and environmental protection through initiatives such as the "Green Dining Table," the "Green Food Declaration," and "Earth Hour." Through these initiatives, the Company aims to continue strengthening its partnerships with external organizations while enhancing its engagement and influence in climate action and sustainable development.

淨零綠生活大聯盟

綠食飯桌 Green Food

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Appendix

GRI Standards Content Index

Disclosure Item No.	Disclosure Item Title	Corresponding Chapter
GRI 2: General Disclosures		
2-1	Organizational details	About KGI Securities
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About KGI Securities
2-4	Restatements of information	About This Report
2-5	External assurance	About This Report
2-6	Activities, value chain and other business relationships	About KGI Securities
2-7	Employees	4.1.1 Employee Composition, Diversity and Inclusion
2-8	Workers who are not employees	4.1.1 Employee Composition, Diversity and Inclusion
2-9	Governance structure and composition	1.2 Sustainable Governance Framework 2.1.1 Governance Structure
2-10	Nomination and selection of the highest governance body	2.1.2 Board Structure
2-11	Chair of the highest governance body	2.1.2 Board Structure
2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Sustainable Governance Framework
2-13	Delegation of responsibility for managing impacts	1.2 Sustainable Governance Framework
2-14	Role of the highest governance body in sustainability reporting	1.2 Sustainable Governance Framework
2-15	Conflicts of interest	2.1.2 Board Structure

Disclosure Item No.	Disclosure Item Title	Corresponding Chapter
2-16	Communication of critical concerns	2.1.5 Ethical Corporate Management and Legal Compliance In addition, during the reporting year, there were no instances in which negative impacts arising from the Company's operations were reported through grievance mechanisms or by stakeholders and subsequently escalated to the Board of Directors for reporting and communication.
2-17	Collective knowledge of the highest governance body	2.1.2 Board Structure
2-18	Evaluation of the performance of the highest governance body	2.1.3 Board Performance Evaluation
2-19	Remuneration policies	2.1.4 Remuneration Policy for Governance Bodies and Senior Management
2-20	Process to determine remuneration	2.1.4 Remuneration Policy for Governance Bodies and Senior Management 4.2.1 Talent Retention
2-21	Annual total compensation ratio	4.2.1 Talent Retention
2-22	Statement on sustainable development strategy	Words of the Chairman
2-23	Policy commitments	2.1.5 Ethical Corporate Management and Legal Compliance
2-24	Embedding policy commitments	2.1.5 Ethical Corporate Management and Legal Compliance
2-25	Processes to remediate negative impacts	1.4 Material Topic Analysis and Management Approach
2-26	Mechanisms for seeking advice and raising concerns	2.1.5 Ethical Corporate Management and Legal Compliance

Disclosure Item No.	Disclosure Item Title	Corresponding Chapter
2-27	Compliance with laws and regulations	2.1.5 Ethical Corporate Management and Legal Compliance
2-28	Membership associations	About KGI Securities
2-29	Approach to stakeholder engagement	1.3 Stakeholder Engagement and Communication
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Talent Retention and Development		
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401-1	Employment – New employee hires and employee turnover	4.1.2 Employee Recruitment
401-2	Employment – Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.3.1 Employee Care
401-3	Employment – Parental leave	4.3.1 Employee Care
402-1	Labor/Management Relations – Minimum notice periods regarding operational change	4.3.1 Employee Care
404-1	Training and Education – Average hours of training per year per employee	4.2.2 Employee Cultivation and Development
404-2	Training and Education – Programs for upgrading employee skills and transition assistance programs	4.2.2 Employee Cultivation and Development

Disclosure Item No.	Disclosure Item Title	Corresponding Chapter
404-3	Training and Education – Percentage of employees receiving regular performance and career development reviews	4.2.2 Employee Cultivation and Development
405-1	Diversity of governance bodies and employees	4.1.1 Employee Composition, Diversity and Inclusion
405-2	Ratio of basic salary and remuneration of women to men	4.2.1 Talent Retention
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201-2	Financial implications and other risks and opportunities due to climate change	5.1 Climate Change Management
302-1	Energy consumption within the organization	5.3.1 GHG Emissions and Energy Mix Management
302-3	Energy intensity	5.3.1 GHG Emissions and Energy Mix Management
302-4	Reduction of energy consumption	5.3.1 GHG Emissions and Energy Mix Management
305-1	Direct (Scope 1) GHG emissions	5.3.1 GHG Emissions and Energy Mix Management
305-2	Energy indirect (Scope 2) GHG emissions	5.3.1 GHG Emissions and Energy Mix Management
305-3	Other indirect (Scope 3) GHG emissions	5.3.1 GHG Emissions and Energy Mix Management
305-4	GHG emissions intensity	5.3.1 GHG Emissions and Energy Mix Management
305-5	Reduction of GHG emissions	5.3.1 GHG Emissions and Energy Mix Management
303-3	Water withdrawal	5.3.2 Water Resources and Waste Management
303-4	Water discharge	5.3.2 Water Resources and Waste Management
303-5	Water consumption	5.3.2 Water Resources and Waste Management
306-3	Waste generated	5.3.2 Water Resources and Waste Management
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Disclosure Item No.	Disclosure Item Title	Corresponding Chapter
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205-1	Operations assessed for risks related to corruption	2.1.5 Ethical Corporate Management and Legal Compliance
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Disclosure Item No.	Disclosure Item Title	Corresponding Chapter
403-5	Occupational Health and Safety – Worker training on occupational health and safety	4.3.2 Healthy Workplace
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SASB – Investment Banking & Brokerage Sustainability Disclosure Topics and Metrics Index

SASB Topics	SASB Metric Code	Nature	Disclosure Items	Corresponding Chapter
Employee Diversity and Inclusion	FN-IB-330a.1	Quantification	Percentage representation by (1) gender and (2) diverse groups for (a) senior management, (b) non-senior management, (c) professionals, and (d) all other employees.	4.1.1 Employee Composition, Diversity and Inclusion
Integration of environmental, social, and governance factors into investment banking and brokerage activities.	FN-IB-410a.1	Quantification	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions that integrate environmental, social, and governance (ESG) factors, by industry.	3.1.2 Financial Products and Services In addition, the Company did not conduct any securitization transactions in 2025; therefore, no data is available for this metric.
	FN-IB-410a.2	Quantification	(1) Number and (2) total amount of investments and loans that integrate environmental, social, and governance (ESG) factors, by industry.	3.1.1 Responsible Investment
	FN-IB-410a.3	Discussion and Analysis	Description of the approach to integrating environmental, social, and governance (ESG) factors into investment banking and brokerage activities	3.1.1 Responsible Investment 3.1.2 Financial Products and Services
Business Ethics	FN-IB-510a.1	Quantification	Total amount of monetary losses resulting from legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, misconduct, or other related financial industry laws and regulations	2.1.5 Ethical Corporate Management and Legal Compliance
	FN-IB-510a.2	Discussion and Analysis	Description of the whistleblower policy and procedures	2.1.5 Ethical Corporate Management and Legal Compliance
Professional Integrity	FN-IB-510b.1	Quantification	(1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigation, or other regulatory proceedings	2.1.5 Ethical Corporate Management and Legal Compliance
	FN-IB-510b.2	Quantification	Number of mediation and arbitration cases related to professional integrity (including the duty of care), by party involved	2.1.5 Ethical Corporate Management and Legal Compliance
	FN-IB-510b.3	Quantification	Total amount of monetary losses resulting from legal proceedings related to professional integrity (including the duty of care)	The Company was not involved in any legal proceedings related to professional integrity during 2025; therefore, no corresponding financial losses were incurred.
	FN-IB-510b.4	Discussion and Analysis	Description of the approach to ensuring professional integrity (including the duty of care)	2.1.5 Ethical Corporate Management and Legal Compliance
Systemic Risk Management	FN-IB-550a.1	Quantification	Global Systemically Important Bank (G-SIB) score, by category	Not applicable. As the Company operates in the securities industry, this metric is not applicable.
	FN-IB-550a.2	Discussion and Analysis	Description of the approach to integrating the results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	2.2.2 Fostering a Risk-Aware Corporate Culture
Employee Incentives and Risk Taking	FN-IB-550b.1	Quantification	Percentage of variable remuneration as a proportion of total remuneration for Material Risk Takers (MRTs)	2.1.4 Remuneration Policy for Governance Bodies and Senior Management
	FN-IB-550b.2	Quantification	Percentage of variable remuneration for Material Risk Takers (MRTs) that is subject to malus or clawback provisions	2.1.4 Remuneration Policy for Governance Bodies and Senior Management
	FN-IB-550b.3	Discussion and Analysis	Discussion of the policies for the oversight, control, and validation of trader pricing for Level 3 assets and liabilities	2.2.2 Fostering a Risk-Aware Corporate Culture
Activity Metrics	FN-IB.000.A	Quantification	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions	3.1.2 Financial Products and Services In addition, the Company did not conduct any securitization transactions in 2025; therefore, no data is available for this metric.
	FN-IB.000.B	Quantification	(1) Number and (2) value of proprietary investments and loans, by major industry category	3.1.1 Responsible Investment
	FN-IB.000.C	Quantification	(1) Number and (2) value of market-making transactions, by the following product categories: (a) Fixed Income, (b) Equities, (c) Currencies, (d) Derivatives, and (e) Commodities	3.1.2 Financial Products and Services

Description of Penalty Events in 2024 and 2025

Year of Penalty Imposed by the Competent Authority	Incident Type	Incident Description	Fine Amount	Improvement Measures
2024	General Penalty Events	The Inspection Bureau of the Financial Supervisory Commission conducted special inspections of the Taipei Main Branch from September 26 to October 5, 2023, and of the Gangshan Branch from October 11 to October 18, 2023. The inspections identified the deficiencies described below. The Company was found to have violated Article 2, Paragraph 2 of the Regulations Governing Securities Firms and was therefore issued an official reprimand and fined NT$300,000. 1. Zhanqian Branch accepted a telephone order from an elderly customer to purchase foreign securities rated below BBB without disclosing the investment risks to the customer at the time the purchase order was accepted, in violation of Article 23-1 of the Regulations Governing Securities Firms Accepting Orders to Trade Foreign Securities of the Securities Association of the Republic of China. 2. The Gangshan Branch failed to include order-taking personnel within the scope of its conflict-of-interest review when conducting checks on transactions in which internal personnel and customers traded the same security in the same direction within a five-minute period, in violation of Section (VI) of the Company's Internal Control System CA-11210, Order Acceptance and Trade Execution Procedures.	Totaling NT$300,000	1. The Company has reinforced internal guidance on the procedures for accepting telephone orders from customers to purchase foreign securities. Standard call recording scripts for sales personnel have been updated to explicitly require disclosure of the bond's credit rating, confirmation that the customer understands the associated credit risk, communication of the relevant investment risks, and retention of the call recording as evidence. In addition, the Company has strengthened its guidance requiring sales personnel, when accepting telephone orders for foreign securities with credit ratings below BBB, to disclose the security' s dit rating and explain the associated investment risks to customers, thereby enhancing the protection of financial consumers. 2. The order-taking personnel at the Gangshan Branch have resigned. The Company has expanded the scope of its conflict-of-interest review to include all internal personnel who, by virtue of their responsibilities, have access to customers' order and transaction details.
2024	General Penalty Events	The Taiwan Stock Exchange conducted an inspection of the Miaoli Branch on May 2 and 3, 2024, and found that the branch manager, Mr. Chen, had safeguarded customers' seals and passbooks on their behalf, acted on behalf of customers in the settlement of securities transactions, and served as an intermediary for lending arrangements with customers. These deficiencies were found to be in violation of securities regulations. The Taiwan Stock Exchange instructed the Company to implement corrective actions, imposed a contractual penalty of NT$60,000 on the Company, and suspended the manager from performing his duties for six months. The FSC issued an official reprimand to the Company, imposed a fine of NT$480,000, and ordered the suspension of the manager from performing his duties for two months.	Totaling NT$540,000	1. The Company has provided training to all managers and sales personnel, reminding them of the prohibited conduct set forth in Article 18 of the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms," and requiring all personnel to strictly comply with the relevant requirements. 2. The Company also sent email reminders to customers highlighting important customer rights, including conduct prohibited for the Company's business personnel, to help prevent any impairment of customers' rights and interests. 3. It has been reiterated that personnel are prohibited from advancing settlement funds on behalf of customers and from safeguarding customers' seals or passbooks on their behalf. 4. Disciplinary actions have been taken against the manager responsible for the violations and the regional supervisor involved in the case.
2025	General Penalty Events	The Taiwan Stock Exchange conducted an inspection of the Kao Mei Guan Branch on May 13 and 14, 2024, and found that a securities brokerage representative, Kao, had accepted securities trading orders from a customer's representative without a valid power of attorney, borrowed money from customers or acted as an intermediary for customer loans, safeguarded customers' seals and passbooks on their behalf, and determined the selling price and quantity of stocks on behalf of customers. The branch manager, Kuo, was found to have failed in his supervisory responsibilities with respect to these deficiencies. These acts were determined to be in violation of securities regulations. The Taiwan Stock Exchange instructed the Company to implement corrective actions, imposed a contractual penalty of NT$60,000, and sanctioned the securities brokerage representative, Kao, and the branch manager, Kuo, by suspending the former from performing his duties for six months and issuing the latter a formal warning. The FSC also issued an official reprimand to the Company, imposed a fine of NT$600,000, and ordered the suspension of the securities brokerage representative from performing his duties for six months.	Totaling NT$660,000	1. Customers have been requested to provide the required authorization letters to rectify the deficiencies. 2. Sales personnel have been reminded that all associated persons must comply with Article 18 of the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms" and all other applicable laws and regulations. 3. Disciplinary actions have been taken against the associated person and the manager responsible for the violations in accordance with the official notice.

Year of Penalty Imposed by the Competent Authority	Incident Type	Incident Description	Fine Amount	Improvement Measures
2025	General Penalty Events	The FSC conducted a general business inspection of KGI Securities from October 21 to November 14, 2024, and identified the deficiencies described below. The Company was found to have violated applicable securities laws and regulations and was therefore issued an official reprimand and fined NT$900,000. 1. Failure to implement centralized control over customers' maximum daily trading limits across different branches. 2. Correction of customer order account information was reported using inaccurate reasons for the account correction. 3. Employees placing orders on behalf of their relatives and friends. 4. Non-professional investors purchasing Total Loss-Absorbing Capacity (TLAC) bonds. 5. Failure to disclose the actual distribution service fees received from transaction counterparties and the corresponding annualized fee rates. 6. Deficiencies were identified in the Know Your Customer (KYC) procedures for elderly non-professional investors. 7. Important information, such as early termination provisions, was not presented in a prominent font in product prospectuses and other related documents. 8. Failure to conduct periodic reviews of money laundering risk assessments in accordance with applicable requirements, among other deficiencies.	Totaling NT$900,000	1. The centralized customer identification and credit review control system for customers with daily trading limits of NT$10 million has been implemented and is now fully operational. 2. The Company has issued an internal notice reiterating that, when processing customer requests for account corrections, personnel must verify the genuine reason for the request and handle the process in accordance with the applicable requirements. 3. The Company has modified its system to remove the functionality allowing internal personnel to sign the same-IP declaration. 4. The Company has implemented a dual verification process for overseas bonds listed in its product offering by cross-checking information against both the Bloomberg database and the bond prospectus to prevent errors arising from incorrect Bloomberg data. In addition, the Company conducts quarterly reviews to verify the accuracy of the TLAC designation for overseas bonds recorded in its system during the preceding quarter. 5. The updated versions of the Transaction Report (Confirmation Statement) (daily statement) and the Monthly Trust Property Management and Utilization Report (monthly statement), which disclose the actual distribution service fees received from transaction counterparties and the corresponding annualized fee rates for overseas bonds, have been implemented. 6. The Company has introduced an "Elderly Customer Assessment Form," under which designated assessors evaluate elderly customers based on customer care considerations to confirm investment suitability. The assessment is conducted annually together with the Customer Investment Capacity Assessment Form as part of the regular evaluation process. 7. The Company has completed the revision and implementation of the "Product Prospectus" and the "Transaction Confirmation" for the option component of convertible bond asset swaps. 8. All accounts for which money laundering risk assessments had not been conducted at the required frequency have been brought into compliance. In addition, the Company has issued operational guidance notices and arranged training sessions to reinforce the relevant requirements across its branches.
2025	General Penalty Events	The branch manager, Kuo, and associated persons Kao, Tai, and five other employees at the Kao Mei Guan Branch, together with 30 personnel including Yang, Regional Supervisor of Brokerage Business Division V, jointly pooled funds to purchase a futures advisory strategy and used their own accounts or those of others to conduct futures trading. In addition, the branch manager, Lu, at the Douliu Branch failed to properly implement the same-IP verification procedures for online order placement. The Company failed to adequately supervise its employees and did not effectively implement the requirements of its internal control system, thereby violating applicable futures regulations. 1. A fine of NT$240,000 was imposed. 2. Suspended Kuo from conducting futures business for three months, Kao for one month, Tai for one month, Yang for four months, and Lu for two months. 3. The Company also imposed internal disciplinary actions on other personnel responsible for the deficiencies not subject to the aforementioned regulatory sanctions.	Totaling NT$240,000	1. Kuo, Kao, Tai, Yang, and Lu have been suspended from conducting futures business. 2. Disciplinary actions have been taken against the personnel involved in the violations. 3. Relevant training has been conducted, awareness has been strengthened, and all employees have been required to strictly comply with the relevant regulations. 4. Thoroughly investigate the reasons and reasonableness of order placements from the same IP address, and assess whether any abnormal circumstances exist.

Year of Penalty Imposed by the Competent Authority	Incident Type	Incident Description	Fine Amount	Improvement Measures
2025	General Penalty Events	The FSC conducted a cybersecurity special inspection of the Company from April 22 to May 9, 2025, and identified the following deficiencies, which were found to be in violation of securities regulations. The Company was ordered to make corrections and was fined NT$300,000. 1. Privileged account management was not conducted in accordance with the principle of least privilege in certain authorization assignments. 2. Regular reviews of network segmentation and access control lists (ACLs) were found to be inadequate. 3. Application system change management was found to have the following deficiencies: (1) Source code security scanning was not performed prior to the deployment of updates to the core system providing internet trading services. (2) The mobile application is compiled into executable programs for iOS and Android by the application developers themselves after the code conversion. In addition, developer personnel retain control of the app store administrator accounts, packaging certificates, and the computers used for packaging. This arrangement is not conducive to the effective implementation of segregation of duties, internal control checks, and balances. 4. The management of administrative privileges and software installation on personal computers was found to have the following deficiencies: (1) Failure to properly review users' roles and responsibilities and the necessity of granting long-term local administrator privileges on personal computers, and failure to grant access rights in accordance with the principle of least privilege. (2) The Company's reviews of personal computer software inventories conducted in 2023 and the first half of 2024, as well as the 2024 cybersecurity health check report on personal computer software lists, identified instances of high-risk software being installed, including cloud storage applications, communication software, and remote access tools.	Totaling NT$300,000	1. Privileged Account Management Access rights have been adjusted and relevant configurations have been updated, with completion on January 26, 2026. 2. Network Segmentation and Access Control Network access rules have been reviewed and necessary adjustments have been completed, and the follow-up remediation items were completed on February 25, 2026. 3. System Change Management (1) The relevant regulations were revised on January 6, 2026, to implement source code scanning procedures. (2) Relevant personnel access rights have been adjusted to ensure proper segregation of duties. 4. Personal Computer Privileges and Software Management (1) An enhanced access control mechanism has been implemented, and user privileges have been progressively adjusted in accordance with the implementation plan, with completion on February 24, 2026. (2) The high-risk software list is regularly reviewed and updated, and the control mechanism was completed on February 24, 2026.

Note: In addition to general penalty events, the Company has established criteria for significant regulatory non-compliance events in accordance with the "Assessment Content and Procedures for Legal Compliance," which must be reported to the Board of Directors if they occur. The criteria include:

1. A single violation resulting in a fine of NT$3 million or more, or an event where the fine imposed reaches at least half of the statutory maximum fine (excluding cases where the maximum statutory fine does not exceed NT$1 million).
2. An event that falls within the categories of major regulatory sanctions published on the FSC's website.
3. Fraud cases arising from deficiencies in internal controls or incidents involving significant operational deficiencies.
4. Any other event that, upon assessment, is determined to have a material impact on the Company's reputation, shareholders' rights and interests, or securities prices, or that jeopardizes the Company' s normal operations.

2025 Sustainable Bond Underwriting List

Number of Cases	Issuer (including tranche)	Bond Code	Bond Abbreviation	KGI Securities' Role	Bond Category	Underwriting Amount (NT$100 million)
1	BNP Paribas, Taipei Branch 2025-1	G13808	P14 BNP Paribas 1	Lead Underwriter	Green Bond	9.5
2	TSMC 2025-1	B618DX	P14 TSMC 1A	Co-underwriter	Green Bond	11
		B618DY	P14 TSMC 1B			7
3	Taiwan Mobile 2025-1	B94174	P14 Taiwan Mobile 1	Co-underwriter	Social Bond	10
4	Crédit Agricole Corporate and Investment Bank, Taipei Branch 2025-1	G14008	P14 CIB 1	Lead Underwriter	Green Bond	5
5	Taipower 2025-1	B903AO	P14 Taipower 1B	Co-underwriter	Green Bond	3
		B903BI	P14 Taipower 1C			5
6	TSMC 2025-2	B618DZ	P14 TSMC 2A	Co-underwriter	Green Bond	3
		B618E1	P14 TSMC 2B			0
7	Taipower 2025-2	B903CI	P14 Taipower 2B	Lead Underwriter	Green Bond	1
8	TSMC 2025-3	B618E2	P14 TSMC 3A	Co-underwriter	Green Bond	5
		B618E3	P14 TSMC 3B			0
9	Cooperative Bank 2025-2	G12450	P14 Cooperative Bank 1	Co-financial Advisor	Green Bond	1
10	Chunghwa Telecom 2025-1	B9AG08	P14 Chunghwa Telecom 1	Lead Underwriter	Sustainability Bonds	10
11	Bank SinoPac 2025-1	G110B3	P14 Bank SinoPac 1	Co-financial Advisor	Sustainability Bonds	5

Number of Cases	Issuer (including tranche)	Bond Code	Bond Abbreviation	KGI Securities' Role	Bond Category	Underwriting Amount (NT$100 million)
12	Union Bank of Taiwan 2025-1	G10924	P14 Union Bank of Taiwan 1	Lead Financial Advisor	Sustainability Bonds	8
13	Shanghai 2025-3	G10179	P14Shanghai 3	Co-financial Advisor	Sustainability Bonds	1
14	Taipower 2025-5	B903FO	P14 Taipower 5A	Lead Underwriter	Green Bond	14
		B903GI	P14 Taipower 5B	Lead Underwriter	Green Bond	10
		B903GO	P14 Taipower 5C	Lead Underwriter	Green Bond	2
15	TSMC 2025-5	B618E6	P14 TSMC 5A	Co-underwriter	Green Bond	7
		B618E7	P14 TSMC 5B	Co-underwriter	Green Bond	8
		B618E8	P14 TSMC 5C	Co-underwriter	Green Bond	3
16	Crédit Agricole Corporate and Investment Bank 2025-2	G14009	P14 CIB 2	Co-financial Advisor	Green Bond	4
17	Taipower 2025-6	B903I1	P14 Taipower 6C	Co-underwriter	Green Bond	2

Number of Cases	Foreign Issuer	ISIN Code	Bond Name	KGI Securities' Role	Bond Category	Underwriting Amoun (US$ million)
1	EDF (Electricite De France SA)	FR001400WIO7	EDF Float 01/20/30	Co-underwriter	Green Bond	80
2	Korea Hydro & Nuclear Power	XS3113268307	KORELE Float 11/12/28	Co-underwriter	Green Bond	36

List of ESG ETFs or ETFs tracking other ESG-related indices for which KGI Securities served as liquidity provider and participating securities firm in 2025

Topic	Product Code	Product Name	KGI Securities' Role
ESG	00692	Fubon TWSE Corporate Governance 100 ETF	Liquidity Provider and Participating Dealer
ESG	00850	Yuanta FTSE4Good TIP Taiwan ESG ETF	Liquidity Provider and Participating Dealer
ESG	00878	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF	Liquidity Provider and Participating Dealer
ESG	00888	SP Taiwan ESG ETF	Liquidity Provider and Participating Dealer
ESG	00890B	KGI 15+ Year US BBB ESG Sustainable Corporate Bond ETF	Liquidity Provider and Participating Dealer
ESG	00923	Capital Tip Customized Taiwan ESG Low Carbon 50 ETF	Liquidity Provider and Participating Dealer
ESG	00930	SP TW ESG Low Carbon High Dividend ETF	Liquidity Provider and Participating Dealer
ESG	00932	Mega Taiwan ESG High Dividend Equal Weight ETF	Liquidity Provider and Participating Dealer
ESG	00961	FT SinoAm Taiwan ESG High Dividend ETF	Liquidity Provider and Participating Dealer
ESG	00948B	CTBC Enhanced Yield Investment Grade Bond	Liquidity Provider and Participating Dealer
ESG	00958B	SinoPac 15+ Year Investment Grade US Banking ESG ETF	Liquidity Provider and Participating Dealer
ESG	00966B	UPAMC Bloomberg MSCI ESG Tilted 15Yr Plus USD BBB Senior Corporate Bond ETF	Liquidity Provider and Participating Dealer

Topic	Product Code	Product Name	KGI Securities' Role
ESG	00883B	CTBC 15+ Year Developed Markets US Corporate Best-in-Class ESG Bond ETF	Participating Dealers
ESG	00891	CTBC Taiwan ESG Leading Semiconductor ETF	Participating Dealers
ESG	00920	Fubon Global ESG Green Energy ETF	Participating Dealers
ESG	00928	CTBC OTC ESG 30 ETF	Participating Dealers
ESG	00936	Taishin TIP Taiwan ESG HDSMC ETF	Participating Dealers
ESG	00937B	CAPITAL ICE ESG 20+ Year BBB Corporate ETF	Participating Dealers
ESG	009809	Fubon Taiwan NET ZERO Transition ESG 50 ETF	Liquidity Provider and Participating Dealer
ESG	00985B	CAPITAL ESG 0-5 YEAR BBB CORPORATE BOND	Liquidity Provider and Participating Dealer
ESG-related	00894	CTBC TIP Customized Investor Movement Aristocrats 30 ETF	Participating Dealers
ESG-related	00896	CTBC TIP Customized Taiwan Green Energy and Electric Vehicles ETF	Participating Dealers
ESG-related	00899	Franklin Templeton SinoAm Global Clean Energy ETF	Liquidity Provider and Participating Dealer
ESG-related	00907	SinoPac Taiwan Superior Dividend Highlight Stocks ETF	Liquidity Provider and Participating Dealer
ESG-related	00910	FSITC Aerospace and Satellite ETF	Liquidity Provider and Participating Dealer
ESG-related	00913	Mega TWM ETF	Liquidity Provider and Participating Dealer
ESG-related	00922	Cathay Taiwan Leaders 50 ETF	Liquidity Provider and Participating Dealer

Securities Firm Sustainability Disclosure Indicators

No.	Nature	Indicator	Corresponding Chapter
I	Quantification	Number of data breach incidents, percentage of data breach incidents involving personal information, and number of customers affected by data breach incidents	2.3.3 Customer Information and Privacy Protection
II	Quantification	Number and amount of capital market financing transactions assisted for small and medium-sized enterprises (SMEs)	No such transactions were undertaken in 2025.
III	Quantification	Number of participants from underserved populations receiving financial education on securities services	3.1.2 Financial Products and Services
IV	Qualitative	Products and services designed by each business line to create environmental or social benefits	3.1.2 Financial Products and Services

Summary of Assurance Items

No.	Selected Key Performance Indicators (KPIs)	Chapter	Applicable Criteria
1.1	There were no information leakage incidents in 2025.	2.3.2	Number of data breach incidents in 2025, as compiled in accordance with the Company' s "Cybersecurity Incident Management Guidelines" and "Information Security Policy." A data breach is defined based on whether information is disclosed outside the Company, where such disclosure violates the Company' s requirements governing confidentiality and information security management. Note: In accordance with the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets," the Company uses the Securities and Futures Market Cybersecurity Incident Reporting System to report incident records to the competent authority (Securities and Futures Bureau) and to verify whether the reported incident records include any data breach incidents.
1.2	The proportion of information leakage incidents involving personal data to all information leakage incidents was 0% in 2025	2.3.2	In accordance with the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets," the Company uses the Securities and Futures Market Cybersecurity Incident Reporting System to report incident records to the competent authority (Securities and Futures Bureau) and to verify whether the reported incident records include any data breach incidents. In addition, in accordance with the Company's "Personal Data Protection Management Policy," the Company calculates the percentage of data breach incidents involving personal information in 2025. Note: "Personal information" is defined in accordance with the Personal Data Protection Act and refers to information relating to a natural person, including, but not limited to, name, date of birth, National Identification Card number, passport number, characteristics, fingerprints, marital status, family, education, occupation, contact information, financial status, social activities, special categories of personal information, and any other information that may directly or indirectly identify the individual.
1.3	There were no customers affected as a result of information leakage incidents in 2025.	2.3.2	In accordance with the "Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events Occur in Securities and Futures Markets," the Company uses the Securities and Futures Market Cybersecurity Incident Reporting System to report incident records to the competent authority (Securities and Futures Bureau) and to verify whether the reported incident records include any data breach incidents. Based on these records, the Company compiles the number of customers affected by Company-related data breach incidents in 2025.

No.	Selected Key Performance Indicators (KPIs)	Chapter	Applicable Criteria
2	No capital market fundraising mandates for small and medium-sized enterprises (SMEs) were undertaken in 2025.	-	Number and amount of capital market financing transactions in which the Company assisted small and medium-sized enterprises (SMEs) in 2025. Note: "Small and medium-sized enterprises (SMEs)" are defined in accordance with the latest edition of the White Paper on SME published annually by the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs, as enterprises with paid-in capital of no more than NT$100 million or fewer than 200 regular employees.
3	In 2025, KGI Securities organized 8 simulated trading competitions for university and college students, with a total of 1,413 participants registered.	3.3	According to the interpretation provided in the "Q&A on the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" issued by the Taiwan Stock Exchange, underserved populations are defined, with reference to the SASB definition, as including, but not limited to, students, adolescents, new immigrants, older adults, ethnic minorities, low-income households, and other groups identified by financial institutions based on their own criteria.
4	In 2025, KGI Securities underwrote sustainability bonds totaling NT$17.097 billion.	3.1.2	Amount of sustainable bonds (corporate bonds or financial bonds) underwritten or assisted in sales by KGI Securities in 2025. Note1: Sustainable bonds refer to bonds for which issuers have obtained qualification recognition in accordance with the "Taipei Exchange Directions for Sustainable Development Bonds" and which are listed on the Taipei Exchange Sustainable Bond Information Platform. Bonds issued by banks are classified as sustainable development financial bonds, while those issued by other issuers are classified as sustainable development corporate bonds. Note2: For sustainable corporate bonds underwritten by KGI Securities, the underwriting announcements are published by the underwriters through the Securities Underwriting Announcement System of the Taiwan Securities Association. The amount of sustainable development financial bonds for which KGI Securities provided sales assistance is based on the sales assistance agreements entered into with the issuing banks.
5.1	Total number of sustainable equity underwriting engagements undertaken in 2025, underwriting amounts, fee income, and industry distribution (disclosing the underwriting amounts of engagements in the top ten industries based on the industry classification and medium-category codes published by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan)	3.1.2	✓ Prepared in accordance with SASB Topic FN-IB-410a.1, "Revenue from underwriting, advisory, and securitization transactions that incorporate environmental, social, and governance (ESG) factors, by industry." ✓ The disclosure presents the total number of sustainability equity underwriting transactions undertaken by KGI Securities in 2025, as well as the underwriting amount and fee income. Transaction values are disclosed for the top industries based on the industry classification and division/group codes published by the Directorate-General of Budget, Accounting and Statistics (DGBAS), Executive Yuan, together with the total number and value of transactions. ✓ Sustainability equity underwriting transactions refer to mandates undertaken by KGI Securities in 2025 involving companies whose business philosophies and operations are associated with energy conservation and carbon reduction, energy and water resource management, circular economy practices, green manufacturing processes and product innovation, or environmental certifications. These companies are also committed to aligning with the SDGs to reduce environmental impacts while taking into consideration employee welfare, social responsibility, and sustainable governance.

Industry Category [Note]	Number of Transactions	Underwriting Amount by KGI Securities (NT$ thousand)	Fee Income (NT$ thousand)
26 Electronic Components Manufacturing	7	7,364,958	60,891
20 Pharmaceutical and Medicinal Chemical Products Manufacturing	1	3,362,926	137,666
29 Machinery and Equipment Manufacturing	4	2,044,188	16,962
67 Real Estate Development	2	1,094,367	8,923
12 Wearing Apparel and Clothing Accessories Manufacturing	2	707,750	8,192
33 Other Manufacturing	1	562,800	7,050
64 Financial Service Activities	1	427,137	6,067
Total Sustainability Equity Underwriting Transactions	18	15,564,126	245,751
Total Equity Underwriting Transactions	36	26,338,474	414,976
Percentage of Sustainability Transactions	50%	59.09%	59.22%

Note: Sustainability equity underwriting transactions undertaken in 2025 covered only seven industry categories.

No.	Selected Key Performance Indicators (KPIs)	Chapter	Applicable Criteria
5.2	Sustainable finance advisory service engagements undertaken in 2025 (disclosing the engagement amounts of the top ten industries based on the industry classification and subclass codes published by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan)	3.1.2	✓ Prepared in accordance with SASB Topic FN-IB-410a.1, "Revenue from underwriting, advisory, and securitization transactions that incorporate environmental, social, and governance (ESG) factors, by industry." ✓ This disclosure presents the revenue generated from sustainability advisory services provided by KGI Securities in 2025, including the revenue amounts for the top ten industries, categorized according to the industry classification and subclass codes published by the Directorate-General of Budget, Accounting and Statistics (DGBAS), Executive Yuan, as well as the total revenue amount. ✓ Sustainability-related advisory service engagements refer to IPO-related projects selected by KGI Securities that were completed in accordance with the Regulations Governing the Particulars to be Recorded in Prospectuses for Initial Applications for TWSE Listing and the TPEx Rules Governing the Review of Securities Traded on Securities Firms' Business Premises.

Subcategory Code	Subcategory Name	Amount (NT$ thousands)
464	Wholesale of Machinery and Equipment	3,900
292	Other Special-purpose Machinery Manufacturing	2,580
269	Other Electronic Parts and Components Manufacturing	2,550
200	Manufacture of Pharmaceuticals and Medicinal Chemical Products	2,230
285	Domestic Appliances Manufacturing	1,800
264	Optoelectronic Materials and Components Manufacturing	1,500
89	Other Food Manufacturing	1,400
631	Manufacture of Non-alcoholic Beverages	1,200
259	Other Fabricated Metal Products Manufacturing	1,200
200	Manufacture of Pharmaceuticals and Medicinal Chemical Products	1,100
Others		8,092
Revenue from sustainability-related advisory services		27,552
Total advisory service revenue		28,112
Proportion of Sustainable Development Engagements		98%

No.	Selected Key Performance Indicators (KPIs)	Chapter	Applicable Criteria
6	Specific Responsible Investment Results in 2025 (disclosure of the total number of cases and aggregate amounts for the top ten industries based on the industry classification and subcategory codes announced by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan)	3.1.1	✓ Prepared in accordance with SASB Topic FN-IB-410a.2, "Gross exposure for investments and loans by industry that incorporate environmental, social, and governance (ESG) factors." ✓ This disclosure presents the number of investments, fair value, and total investment amount of KGI Securities' equity and debt investments classified as responsible investments in 2025. Information is disclosed for the top ten industries based on the industry classification and subclass codes published by the Directorate-General of Budget, Accounting and Statistics (DGBAS), Executive Yuan, as well as the total number and amount of investments. ✓ The fair value of responsible investment holdings comprises KGI Securities' proprietary equity and debt investment positions, excluding sovereign bonds, in accordance with its Responsible Investment Policy.

Subcategory Code	Subcategory Name	Number of Cases	Amount (NT$ millions)	Percentage of Investment Amount
640	Financial Services Industry	55	24,799.25	20.72%
261	Semiconductor Manufacturing Industry	143	22,766.47	19.02%
651	Life Insurance Industry	13	16,211.72	13.54%
271	Computer and Peripheral Equipment Manufacturing	106	7,646.76	6.39%
649	Other Financial Services Industry	7	7,572.06	6.33%
660	Securities, Futures, and Financial Auxiliary Services Industries	11	5,886.50	4.92%
269	Other Electronic Parts and Components Manufacturing	74	4,131.40	3.45%
610	Telecommunications Industry	15	3,290.95	2.75%
263	Printed Circuit Board Manufacturing Industry	57	3,200.52	2.67%
350	Electricity and Gas Supply	8	2,418.71	2.02%
Total Number and Amount of Investments of the Top Ten Industries		489	97,924.34	81.81%
Total Number and Amount of Investments		1,713	119,695.39	100%

No.	Selected Key Performance Indicators (KPIs)	Chapter	Applicable Criteria
7	The Company's Responsible Investment Policy is implemented in proprietary trading decision-making through the following processes to ensure the effective execution of responsible investment and sustainable finance initiatives: 1. Screening ✓ Implementation of Responsible Investment and Stewardship The Company has established a Responsible Investment Policy that incorporates ESG (Environmental, Social, and Governance) considerations into the investment decision-making process. Stewardship activities are carried out accordingly, and updates on ESG investment implementation are regularly reported to the Board of Directors to facilitate management's evaluation and oversight of related investment policies. ✓ Establishment of a Negative Screening List Potential investment targets whose principal business activities involve environmental pollution, social controversies, or poor corporate governance practices are excluded from direct investment. 2. Evaluation and Management ✓ Conflict of Interest Management The Company manages conflicts of interest through internal policies and procedures, including the Code of Employee Conduct, Internal Personnel and Related Party Transaction Control Procedures, Pre-trade Reporting Procedures for Designated Insiders, Code of Ethical Conduct, and Related Party Transaction Procedures. These measures help identify and prevent conflicts of interest between employees, related-party transactions, and investment targets. ✓ Integration of ESG Risk Assessment ESG risks are evaluated using publicly available and credible sources, including ESG ratings and scores issued by external rating agencies, publicly disclosed ESG-related information from issuers, and regulatory enforcement records. Such information is incorporated into investment decision-making based on the listing location of securities or the nature of individual transactions. ✓ Post-investment Management After an investment is made, the Company regularly reviews and evaluates the ESG risks associated with the investment target to support portfolio adjustment decisions. Enhanced monitoring and control measures are applied when an investment target meets the exclusion criteria of the negative screening list or is assessed as having high ESG risk. ✓ Stewardship Voting Policy The Company continuously monitors investee companies, attends shareholders' meetings where appropriate, and actively expresses its views on relevant resolutions. 3. Engagement ✓ Engagement with Investment Targets The Company actively engages in dialogue and interaction with investee companies and advisory clients. Through these engagement activities, it gains a deeper understanding of investees' decision-making processes and ESG-related strategies, while providing recommendations and improvement measures to promote ESG principles and sustainable development practices.	3.1.1	✓ Prepared in accordance with SASB Topic FN-IB-410a.3, "Description of the incorporation of environmental, social, and governance (ESG) factors into investment banking and brokerage activities." ✓ This disclosure is based on the Responsible Investment Policy and related operating procedures established by KGI Securities for incorporating ESG factors into its investment banking and brokerage processes and strategies.

CPA' s Independent Assurance Report

pwc 資誠

會計師有限確信報告

資會綜字第 25013835 號

凱基證券股份有限公司　公鑒：

本會計師受凱基證券股份有限公司（以下簡稱「貴公司」）之委任，對　貴公司選定 2025 永續報告書所報導之關鍵績效指標（以下簡稱「所選定之關鍵績效指標」）執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

標的資訊與適用基準

本確信案件之標的資訊係　貴公司上開所選定之關鍵績效指標，有關所選定之關鍵績效指標及其適用基準詳列於　貴公司 2025 永續報告書之「確信項目彙總表」。前述所選定之關鍵績效指標之報導範圍業於永續報告書之「報告書揭露邊界與範疇」段落述明。

管理階層之責任

貴公司管理階層之責任係依照適用基準編製永續報告書所選定之關鍵績效指標，且設計、付諸實行及維持與所選定之關鍵績效指標編製有關之內部控制，以確保所選定之關鍵績效指標未存有導因於舞弊或錯誤之重大不實表達。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

會計師之獨立性及品質管理

本會計師及本事務所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、保密及專業行為。

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
110208 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F: +886 (2) 2729 6686

pwc 資誠

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」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

會計師之責任

本會計師之責任係依照確信準則 3000 號「非屬歷史性財務資訊查核或核閱之確信案件」規劃及執行有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述 貴公司所選定之關鍵績效指標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 3000 號之規定，本有限確信案件工作包括評估　貴公司採用適用基準編製永續報告書所選定之關鍵績效指標之妥適性、評估所選定之關鍵績效指標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，以及評估所選定之關鍵績效指標之整體表達。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。

本會計師對第一段所述　貴公司所選定之關鍵績效指標所執行之程序係基於專業判斷，該等程序包括查詢、對流程之觀察、文件之檢查是否適當之評估，以及與相關紀錄之核對或調節。

基於本案件情況，本會計師於執行上述程序時：

- 已對參與編製所選定之關鍵績效指標之相關人員進行訪談，以瞭解編製前述資訊之流程，以及攸關之內部控制，以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，已對所選定之關鍵績效指標選取樣本進行包括查詢、觀察、檢查等測試，以取得有限確信之證據。

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中取得者。因此，本會計師不對　貴公司所選定之關鍵績效指標在所有重大方面，是否依照適用基準編製，表示合理確信之意見。

此報告不對 2025 年度永續報告書整體及其相關內部控制設計或執行之有效性提供任何確信。

pwc 資誠

有限確信之結論

依據所執行之程序與所獲取之證據，本會計師並未發現第一段所述　貴公司所選定之關鍵績效指標在所有重大方面有未依照適用基準編製之情事。

其它事項

貴公司網站之維護係　貴公司管理階層之責任，對於確信報告於　貴公司網站公告後任何所選定之關鍵績效指標或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資誠聯合會計師事務所

會計師　[illegible]

中華民國 115 年 06 月 22 日

External Third-Party Verification Report

Docusign Envelope ID: 1AEF2A72-C9BE-824C-80E8-B79A7E718AB8

pwc

查證意見編號：261G020PC5-1
版次：01

溫室氣體查證意見
INDEPENDENT VERIFICATION OPINION

此致：

凱基證券股份有限公司

臺北市中山區明水路 700 號

資誠普華綠色科技有限公司(以下簡稱:資誠普華綠色科技)已完成對凱基證券股份有限公司之溫室氣體聲明進行獨立第三方查證，該溫室氣體聲明所涵蓋之報告期間為 2025 年 1 月 1 日至 2025 年 12 月 31 日。

管理階層責任

凱基證券股份有限公司的管理階層負責依據《The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard》編製溫室氣體聲明。此責任包括設計、導入及維持與溫室氣體聲明編製相關之內部控制制度，以合理確保該聲明不致因舞弊或錯誤而產生重大不實表達。

資誠普華綠色科技責任

資誠普華綠色科技之責任係依其所執行之查證程序，對溫室氣體聲明表達獨立之查證結論。本次查證係依據 ISO 14064-3:2019《溫室氣體－第 3 部：溫室氣體聲明之查證與確證附指引之規範》進行，該國際標準要求查證人員遵循相關職業道德規範並規劃及執行查證工作，以取得相當且適切之查證證據，於約定之保證等級下確保溫室氣體聲明不存在重大不實表達。

組織邊界

本溫室氣體聲明之組織邊界涵蓋凱基證券股份有限公司於其具備營運控制權之實體及其營運活動，包括其子公司，並涵蓋上述營運控制範圍內之辦公室、分支機構及營運據點。
組織邊界之定義及涵蓋範圍，已詳載於該集團之溫室氣體盤查報告中。

保證等級

台灣營運據點：範疇一、二：合理保證等級；範疇三：有限保證等級
台灣以外營運據點：範疇一、二、三皆為有限保證等級

實質性門檻

本次查證採用實質性門檻為總排放量之 5%(公噸二氧化碳當量)，以評估錯誤或遺漏是否可能影響預期使用者之判斷。

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查證意見編號：261G020PC5-1
版次：01

查證程序與方法

查證作業綜合使用數據與管制測試方法。證據蒐集程序包括但不限於：

- 現場訪視以進行以下：
  - 確認盤查清冊完整性；
  - 訪談現場人員以確認操作行為與標準操作程序；
  - 確認現場紀錄之管制存取；
- 取樣確認用於計算的電力、燃料與營運活動紀錄等來源數據之正確性；
- 驗算排放量；
- 分析營運活動與能源消耗關係。

查證作業期間檢查的數據為歷史性資料。

查證之排放量

單位：公噸二氧化碳當量

公司別	範疇一	範疇二		範疇三
		地理基礎	市場基礎	
凱基證券股份有限公司	460.7618	5974.9761	4166.2754	4,247.9641
凱基保險經紀人股份有限公司。	0.0000	21.7707	7.8863	3.2501
凱基創業投資股份有限公司	0.0000	4.7328	1.7144	2.4855
凱基證券投資顧問股份有限公司	0.7112	123.5249	44.7462	23.4563
KGI Securities (Singapore) Pte. Ltd.	0.0000	130.4627	130.4627	209.2398
KGI Securities (Hong Kong)Pte. Ltd. KGI Asia Limited Shanghai Representative Office	10.8233	530.0943	530.0943	234.5940
PT KGI Sekuritas Indonesia	27.0878	36.0023	36.0023	146.1797

*人為生物源二氧化碳排放量：0.0000 公噸二氧化碳

Docusign Envelope ID: 1AEF2A72-C9BE-824C-80E8-B79A7E718AB8

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查證意見編號：261G020PC5-1
版次：01

查證結論

依據資誠普華綠色科技有限公司所執行之查證程序與取得之查證證據：
就凱基證券股份有限公司溫室氣體聲明中在台灣營運據點之直接溫室氣體排放(範疇一)及電力間接溫室氣體排放(範疇二)，我們認為已依據《The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard》妥適編製，並無重大不實表達，於合理保證程度下符合本次查證之約定。
另就台灣以外之營運據點之直接溫室氣體排放(範疇一)、電力間接溫室氣體排放(範疇二)及其他間接溫室氣體排放(範疇三)，基於有限保證所執行之查證程序，我們未發現任何事項足以使我們相信該等資訊存在重大不實表達且未依據前述標準編製。

總經理：李宗哲　　主導查證員：王　穎

初版發行日期：2026/05/27　　版次(發行日期)：2026/05/27

Docusign Envelope ID: 1AEF2A72-C9BE-824C-80E8-B79A7E718AB8

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查證意見編號：261G020PC5-2
版次：01

溫室氣體查證意見
INDEPENDENT VERIFICATION OPINION

此致：

凱基期貨股份有限公司

臺北市中正區重慶南路一段 2 號 13 樓

資誠普華綠色科技有限公司(以下簡稱:資誠普華綠色科技)已完成對凱基期貨股份有限公司之溫室氣體聲明進行獨立第三方查證，該溫室氣體聲明所涵蓋之報告期間為 2025 年 1 月 1 日至 2025 年 12 月 31 日。

管理階層責任

凱基期貨股份有限公司的管理階層負責依據《The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard》編製溫室氣體聲明。此責任包括設計、導入及維持與溫室氣體聲明編製相關之內部控制制度，以合理確保該聲明不致因舞弊或錯誤而產生重大不實表達。

資誠普華綠色科技責任

資誠普華綠色科技之責任係依其所執行之查證程序，對溫室氣體聲明表達獨立之查證結論。本次查證係依據 ISO 14064-3:2019《溫室氣體－第 3 部：溫室氣體聲明之查證與確證附指引之規範》進行，該國際標準要求查證人員遵循相關職業道德規範並規劃及執行查證工作，以取得相當且適切之查證證據，於約定之保證等級下確保溫室氣體聲明不存在重大不實表達。

組織邊界

本次查證之組織邊界，係涵蓋凱基期貨股份有限公司於其具營運控制權範圍內之所有營運活動。盤查範圍並涵蓋前述營運活動所涉及之相關設施與營運據點。

保證等級

範疇一、二：合理保證等級；範疇三：有限保證等級

實質性門檻

本次查證採用實質性門檻為總排放量之 5%(公噸二氧化碳當量)，以評估錯誤或遺漏是否可能影響預期使用者之判斷。

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查證意見編號：261G020PC5-2
版次：01

查證程序與方法

查證作業綜合使用數據與管制測試方法。證據蒐集程序包括但不限於：

- 現場訪視以進行以下：
  - 確認盤查清冊完整性；
  - 訪談現場人員以確認操作行為與標準操作程序；
  - 確認現場紀錄之管制存取；
- 取樣確認用於計算的電力、燃料與營運活動紀錄等來源數據之正確性；
- 驗算排放量；
- 分析營運活動與能源消耗關係。

查證作業期間檢查的數據為歷史性資料。

查證之排放量

範疇別		單位：公噸二氧化碳當量
範疇一：直接溫室氣體排放		19.9891
範疇二：電力間接溫室氣體排放	地理基礎	394.6709
	市場基礎	288.2397
範疇三：其他間接溫室氣體排放		99.0601

*人為生物源二氧化碳排放量：0.0000 公噸二氧化碳

查證結論

依據資誠普華綠色科技有限公司所執行之查證程序與取得之查證證據：
就凱基期貨股份有限公司溫室氣體聲明中之直接溫室氣體排放(範疇一)及電力間接溫室氣體排放(範疇二)，我們認為已依據《The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard》妥適編製，並無重大不實表達，於合理保證程度下符合本次查證之約定。
另就其他間接溫室氣體排放(範疇三)，基於有限保證所執行之查證程序，我們未發現任何事項足以使我們相信該等資訊存在重大不實表達且未依據前述標準編製。

總經理：李宗哲

主導查證員：王穎、彭立德

初版發行日期：2026/05/27

版次(發行日期)：2026/05/27

bsi.

By Royal Charter

Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2022

This is to certify that: KGI Securities Co. Ltd.
No. 700, Mingshui Rd.
Zhongshan Dist.
Taipei City
104451
Taiwan

Holds Certificate No: **IS 655142**

and operates an Information Security Management System which complies with the requirements of ISO/IEC 27001:2022 for the following scope:

The provision of the design, development, operation and maintenance of information systems, network management, server rooms management activities of Chunghwa Xinyi Internet Data Center, Chunghwa Renai Internet Data Center, Chunghwa Banqiao Internet Data Center, and related supporting information processing activities for KGI Securities Co. Ltd., KGI Futures Co. Ltd., KGI Securities Investment Advisory Co. Ltd., KGI Insurance Brokers Co. Ltd., and KGI Venture Capital Co. Ltd. within Information Technology Department and Digital Innovation and Transformation.
This is in accordance with the Statement of Applicability dated 7 November 2025.

For and on behalf of BSI:

Michael Lam, Senior Vice President, APAC Assurance

Original Registration Date: 2016-12-15
Latest Revision Date: 2025-11-24

Effective Date: 2025-12-15
Expiry Date: 2028-12-14

Page: 1 of 3

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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.

bsi.

Certificate of Registration

CUSTOMER SATISFACTION MANAGEMENT SYSTEM - ISO 10002:2018

This is to certify that:

KGI Securities Co. Ltd.
No. 700, Mingshui Rd.
Zhongshan Dist.
Taipei City
104451
Taiwan

凱基證券股份有限公司
臺灣
台北市
中山區
明水路700號
104451

Holds Certificate No: **CMS 809527**

and operates a Customer Satisfaction Management System that is aligned with ISO 10002:2018

The provision of customer complaints handling service.
客訴處理服務。

For and on behalf of BSI:

Joe Hsieh, Managing Director Northeast Asia, APAC Assurance

Original Registration Date: 2024-09-12
Latest Revision Date: 2025-08-05

Effective Date: 2025-09-12
Expiry Date: 2026-09-11

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Certificate TW18/00711

The management system of

KGI Securities Co., Ltd.

No. 700, Mingshui Rd., Zhongshan Dist., Taipei City 10462, Taiwan (R.O.C.)

has been assessed and certified as meeting the requirements of

BS10012:2017

For the following activities
The provision of personal information management includes personal information files collection, processing and utilization in all services within business activities performed by:
- Headquarters
- Shilin Branch Office
- Banqiao Branch Office

This certificate is valid from 05 April 2026 until 05 April 2029 and remains valid subject to satisfactory surveillance audits.
Issue 6. Certified since 23 December 2018
Certified activities performed by additional sites are listed on subsequent pages.

Authorised by
Stephen Pao
Director

SGS Taiwan Limited
No. 136-1, Wu Kung Road, New Taipei Industrial Park, Wu Ku District, New Taipei City 24803, Taiwan
t +886 (0)2 2299 3939 - www.sgs.com.tw

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此為證書 TW18/10519 譯本

下述組織

凱基證券股份有限公司

104451 台北市中山區明水路 698、700 號

的管理系統已經過審核，並被證明符合下述要求

ISO 50001:2018

所涵蓋的活動範圍
提供客戶衍生性金融商品、保險經紀業務、證券買賣等服務。

此證書的有效期自 2024 年 11 月 13 日 至 2027 年 11 月 13 日 且其有效性應繫於持續符合的定期稽核
版次 4. 原始註冊日期 2018 年 11 月 13 日

簽署
Stephen Pao
Director

台灣檢驗科技股份有限公司
24803 新北市五股區新北產業園區五工路 136-1 號
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Management System Certification
MS001

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SGS

Certificate TW24/00000513

The management system of

KGI Securities Co., Ltd.

3F., No. 700 & 3F., No.698, Mingshui Rd., Zhongshan Dist., Taipei City 104451, Taiwan

has been assessed and certified as meeting the requirements of

ISO 14001:2015

For the following activities

Provides private and institutional brokerage and investment banking to individual and institutional clients.

This certificate is valid from 23 June 2024 until 23 June 2027 and remains valid subject to satisfactory surveillance audits.

Issue 1. Certified since 23 June 2024

Multiple certificates have been issued for this scope, the main certificate is numbered TW24/00000513

Certified activities performed by additional sites are listed on subsequent pages.

Authorised by
Jonathan Hall
Global Head - Certification Services

SGS United Kingdom Ltd
Rossmore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK
t +44 (0)151 350-6666 - www.sgs.com

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Certificate of Registration

BUSINESS CONTINUITY MANAGEMENT SYSTEM - ISO 22301:2019

This is to certify that: KGI Securities Co. Ltd.
No. 700, Mingshui Rd.
Zhongshan Dist.
Taipei City
104451
Taiwan

Holds Certificate No: **BCMS 789277**

and operates a Business Continuity Management System which complies with the requirements of ISO 22301:2019 for the following scope:

The provision of (1)Taiwan stock brokerage business processing for opening accounts at the counter and online account opening designated to Sanchong Branch, trade, clearing and settlement, accounting, and related supporting activities within Sanchong branch□(2)Taiwan stock brokerage business processing for opening accounts, trade, clearing and settlement, accounting, and related supporting activities within headquarters.

For and on behalf of BSI:

Michael Lam, Senior Vice President, APAC Assurance

Original Registration Date: 2023-06-28
Latest Revision Date: 2025-03-19

Effective Date: 2023-06-28
Expiry Date: 2026-06-27

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Certificate of Registration

OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM - ISO 45001:2018

This is to certify that: KGI Securities Co., Ltd.
KGI Futures Co., Ltd.
No. 700, Mingshui Rd.
Zhongshan Dist.
Taipei City
104451
Taiwan

凱基證券股份有限公司
凱基期貨股份有限公司
臺灣
台北市
中山區
明水路700號
104451

Holds Certificate No: **OHS 745145**

and operates an Occupational Health and Safety Management System which complies with the requirements of ISO 45001:2018 for the following scope:

The provision of securities and futures financial services.
提供證券及期貨之金融服務

For and on behalf of BSI:

Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2021-05-19
Latest Revision Date: 2024-03-17

Effective Date: 2024-05-19
Expiry Date: 2027-05-18

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KGI SECURITIES