

# 2024 ESG Report





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# About the Report

## Report Period

KGI Securities Co., Ltd. (hereinafter referred to as “KGI Securities” or “the Company”) issued its 2024 ESG Report in June 2025. This is the Company's third sustainability report, covering the period from January 1, 2024, to December 31, 2024, and details the Company's efforts and performance in sustainable development across three major aspects: environment (E), social (S), and governance (G).

KGI Securities' ESG Report is published annually to keep stakeholders informed about the Company's performance in implementing its sustainability policies.

## Report Disclosure Boundary and Scope

This report discloses information on all operational sites of KGI Securities located in Taiwan.

The financial, employee-related, and GHG inventory information disclosed in the report are consistent with the consolidated financial report data of KGI Securities. The units of calculation for the disclosed data are specified accordingly. Due to the scope of entities included in the consolidated financial statements, which encompasses KGI Securities' subsidiaries in Taiwan as well as its overseas operational locations, any special disclosure requirements that result in differences between the disclosures in this report and the boundaries of this report will be separately noted in each relevant section, specifying the scope and calculation methods.

## Report Preparation Principles

Publication Unit	Principles and Specifications Observed
Global Reporting Initiative (GRI)	GRI Sustainability Reporting Standards (GRI Standards) 2021
Taipei Stock Exchange (TPEX)	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms
Sustainability Accounting Standards Board (SASB)	Investment Banking and Brokerage Standards
Task Force on Climate-Related Financial Disclosures (TCFD)	Climate-related Financial Disclosure Recommendations
United Nations	Sustainable Development Goals (SDGs)

## Report Verification and Assurance Items

Publication Unit	Standard
PwC Taiwan (PwC Taiwan)	Taiwan Standards on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information"
BSI Taiwan	ISO 27001:2013 Information Security Management System ISO 22301:2019 Business Continuity Management System ISO 45001:2018 Occupational Safety and Health Management System ISO 10002:2018 Customer Complaint Quality Management System
SGS Taiwan	BS 10012:2017 Personal Information Management System ISO 14064-1:2018 GHG Inventory Standards ISO 50001:2018 Energy Management System ISO 14001:2015 Environmental Management System

## Report Quality Management Procedures

KGI Securities has prepared this report in accordance with the “Sustainability Information Management Guidelines” and the “Directions for the Preparation and Submission of Sustainability Reports.” All data and information disclosed in this report were reviewed for completeness and accuracy by the respective department heads of the Company before submission. The Administration and Management Department is responsible for compiling the information and planning the structure of the report. The content of this report has been reviewed and confirmed by department heads and responsible personnel, and has been independently verified and assured by a third-party organization. The report was submitted to the Sustainability Committee and published after approval by the Board of Directors.

## Report Opinion and Feedback

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## Message from the Chairman | Leading the Future of Responsible Finance

In 2024, the global risk landscape is rapidly evolving, reshaping the operational logic of both businesses and society. According to the World Economic Forum's Global Risks Report 2024, systemic challenges such as extreme weather, resource depletion, ecological collapse, and cyber risks have become global concerns. For the financial industry, this is not only a test of risk management but also an opportunity to redefine capital flows and corporate influence.

KGI Securities upholds the core philosophy of "Empowering the Future with the Future," viewing ESG as a key driver of corporate resilience and value creation. From governance mechanisms, business innovation, net-zero actions, responsible investing to customer protection, we have comprehensively upgraded our sustainability strategy to shape a new capital market that is low-carbon, digital, and inclusive.

In terms of net-zero actions, in collaboration with KGI Financial Holdings Co., Ltd. (hereinafter referred to as the parent company or "KGI Financial Holdings"), the parent company passed the SBTi (Science Based Targets initiative) review in May 2025, committing to reduce operational carbon emissions by 42% by 2030 compared to the 2022 baseline, and to achieve net-zero emissions across its entire asset portfolio by 2045. In 2024, greenhouse gas emissions from Taiwan operations were reduced by approximately 33% compared to 2022, and the headquarters successfully switched to 3.6 million kWh of green electricity, cutting around 1,700 metric tons of CO<sub>2</sub> equivalent—demonstrating strong climate action.

In responsible finance and capital allocation, KGI Securities actively channels funds toward industries with positive social and environmental impacts. In 2024, 26.7% of investment targets had SBTi commitments, while investments in high-carbon industries dropped to 18%, achieving annual adjustment goals ahead of schedule. We also led market development by assisting clients in issuing Taiwan's first "Sustainability-Linked Swap Bond." We earned recognition from The Asset magazine as the "Best Social Responsibility Bond Deal," effectively promoting green and inclusive transformation.

In fair customer treatment and financial security, we strengthened our people-centric financial service culture. In 2024, we implemented and passed ISO 10002 certification for complaint management systems and were ranked in the top 25% of securities firms in the FSC's "Fair Treatment of Customers" evaluation. We continue to optimize service processes for vulnerable groups such as the elderly and people with disabilities, and have established OTP verification mechanisms, AI risk control models, and omnichannel anti-fraud education initiatives. Throughout the year, we held 180 anti-fraud seminars, reaching 170,000 participants, and received the "Outstanding Award" in the Taiwan Stock Exchange's "Securities Firms Anti-Fraud Evaluation."

In governance resilience, we established a board-level Sustainability Committee in 2023 to oversee six functional groups advancing ESG policies and goals. In 2024, we became one of the first to adopt IFRS S1 and S2 standards, significantly enhancing sustainability disclosures and climate risk governance, and progressively aligning with international standards—demonstrating our commitment to forward-looking governance.

The foundation of sustainable operations lies in the connection between people and society. KGI Securities is dedicated to building a DEI-friendly workplace, with over 160,000 hours of employee training annually, and has won the "Happy Enterprise Award" for four consecutive years. Through employee volunteer activities and the KGI Charity Foundation, we accumulated over 30,000 hours of volunteer service in 2024. Our beach cleanup events and participation numbers continue to lead the financial industry, and we have been recognized for two consecutive years for adopting coastal areas in New Taipei City—deepening our corporate social responsibility efforts.

Looking ahead, KGI Securities will continue to drive responsible finance through innovation, strengthen risk resilience through governance, and implement net-zero transformation through action. We firmly believe that the essence of finance is not merely the flow of capital, but the accumulation of trust, the guidance of value, and a commitment to society.

At the intersection of climate challenges, technological waves, and social change, KGI Securities will join hands with all stakeholders to co-create a more equitable, sustainable, and resilient new era of finance.

郭道義





# About KGI Securities

## Basic Company Information

<ul style="list-style-type: none"><li>• <b>Company Name:</b> KGI Securities Co. Ltd.</li><li>• <b>Industry:</b> Financial Services</li><li>• <b>Stock Code:</b> 6008</li><li>• <b>Establishment Date:</b> September 14, 1988</li><li>• <b>Number of Employees:</b> 4,077</li></ul>	<ul style="list-style-type: none"><li>• <b>Capital:</b> NT\$18,787,366 thousand</li><li>• <b>Total Assets:</b> NT\$522,109,668 thousand</li><li>• <b>Headquarters Address:</b> 3rd Floor, No. 698, Mingshui Road, Taipei City; 3rd Floor, No. 700, Mingshui Road, Taipei City</li></ul>
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## Main Business Overview

KGI Securities holds a leading position in the securities industry, offering a comprehensive and diverse product line that includes brokerage, proprietary trading, underwriting, bonds, derivatives, wealth management, and asset management. Additionally, it integrates its domestic investment subsidiaries—KGI Futures, KGI Investment Advisory, KGI Insurance Brokers, and KGI Venture Capital—to provide clients with comprehensive financial product investment and wealth management services, as well as assist enterprises in raising capital in both domestic and international capital markets.

KGI Securities Business Group	
Subsidiary	Scope of Business
KGI Securities Investment Advisory Co., Ltd. (KGI Investment Advisory)	Securities investment consultancy services
KGI Insurance Brokers Co., Inc. (KGI Insurance Brokers)	Personal/property insurance broker business
KGI Venture Capital Co. Ltd. (KGI Venture Capital)	Venture capital business
KGI Futures Co., Ltd. (KGI Futures)	Futures broker
KGI Information Technology Co., Ltd. (KGI Information)	Management consultation, information software services, information processing, and electronic information supply services

### ■ Main Business Operations of KGI Securities:

Business	Service Item	Business	Service Item
Brokerage Business	<ul style="list-style-type: none"><li>• Domestic securities brokerage or intermediary services</li><li>• Brokerage for trading securities in TWSE, TPEX, and Emerging Stock Market</li><li>• Trading, margin trading and short selling of securities</li><li>• Loans</li><li>• Securities lending</li><li>• Introducing broker</li><li>• Brokerage for trading foreign securities (sub-brokerage)</li></ul>	International securities business	<ul style="list-style-type: none"><li>• Selling corporate bonds in foreign currencies and other debt instruments</li><li>• Brokerage, wealth management, underwriting, and dealing of securities in foreign currencies or financial products in foreign currencies</li><li>• Other foreign exchange businesses related to securities approved by the competent authority</li></ul>
Wealth Management Business	<ul style="list-style-type: none"><li>• Provide clients with asset allocation and product investment portfolio recommendations</li><li>• Implement asset allocation for clients</li><li>• Securities investment consultation</li><li>• Specific separate management and utilization of monetary trusts</li><li>• Sole management and operation of securities trusts with designated scope or methods (securities lending)</li></ul>	Bond Business	<ul style="list-style-type: none"><li>• Outright purchase/sales of bonds and repo trade</li><li>• Underwriting/guided sales of corporate bonds and financial bonds</li><li>• Public bond bidding, entrusted bidding, and trading</li><li>• Design, issuance, and sales of derivatives with fixed income</li><li>• Spot foreign exchange and exchange rate derivative trading</li></ul>
Dealing Business	<ul style="list-style-type: none"><li>• Dealing securities in TWSE and TPEX</li><li>• Engaging in futures transactions as an introducing broker</li><li>• Proprietary trading of foreign securities and derivatives</li><li>• Concurrently engage in futures dealing</li></ul>	Stock Affairs Agency	<ul style="list-style-type: none"><li>• Assist enterprises in convening shareholders' meetings</li><li>• Provide consultation services related to stock affairs regulations</li><li>• Provide consultation services for laws and regulations related to stock affairs</li></ul>
Capital Market Business	<ul style="list-style-type: none"><li>• Provide guidance to public companies for the application of the listing of securities on TWSE or TPEX</li><li>• Provide guidance to foreign enterprises for the application of the primary listing of securities on TWSE or TPEX</li><li>• Issuance of securities of public companies for fundraising</li><li>• Financial strategy planning and consultation services for enterprises</li></ul>	Derivatives	<ul style="list-style-type: none"><li>• Issue domestic call (put) warrants on TWSE (TPEX)</li><li>• Negotiation call (put) warrants</li><li>• Interest rate swap transactions</li><li>• Design and issuance planning of new financial products</li><li>• Bond options in NTD/foreign currencies</li><li>• Forward rate agreement</li><li>• Single and combined interest rate option products</li><li>• Structured products</li><li>• Asset swap</li><li>• Equity derivatives</li><li>• Credit default swap</li></ul>



Distribution of Business Locations

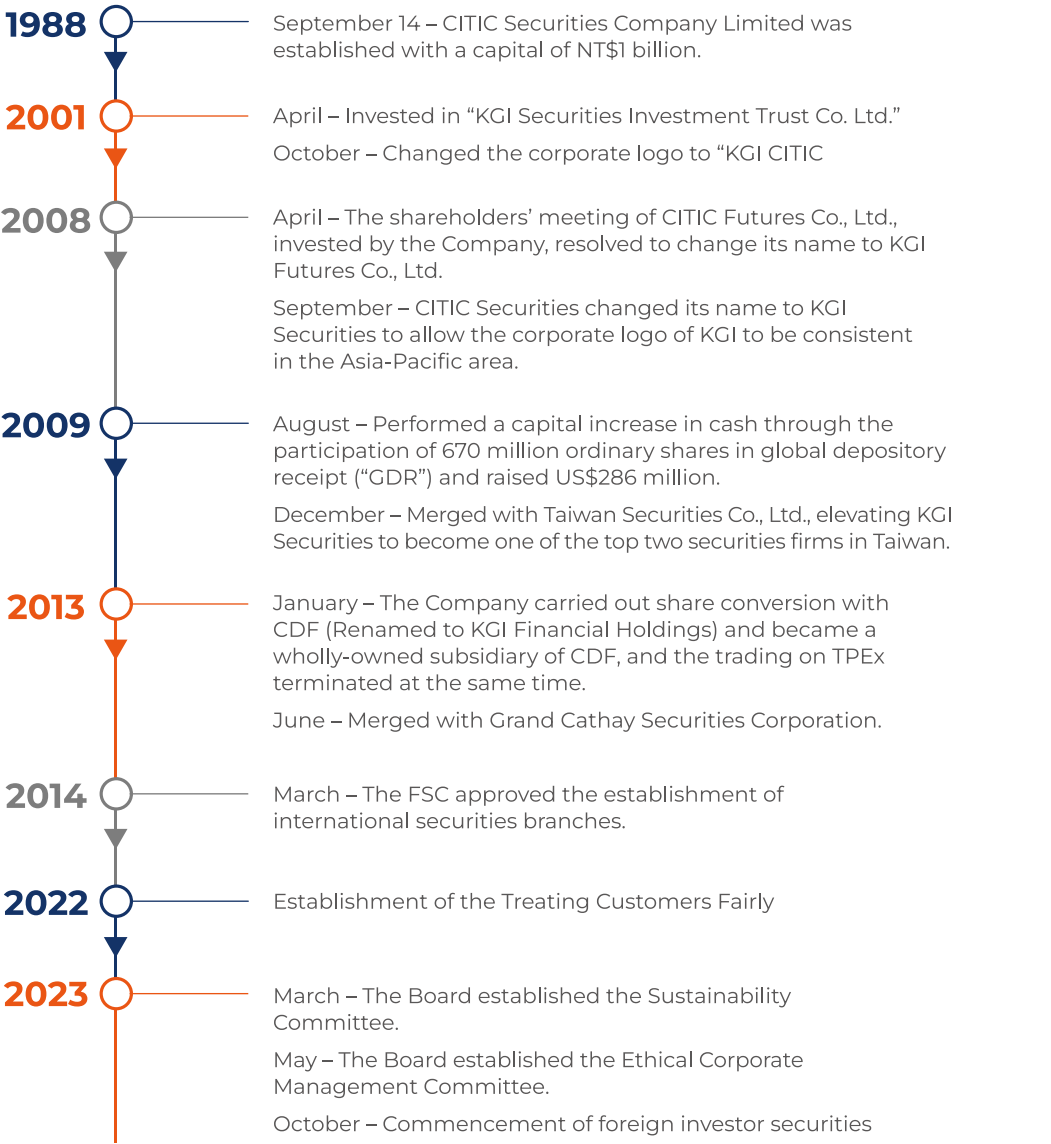
KGI Securities' overseas business layout is comprehensive. At present, it has locations in Hong Kong, Singapore, Indonesia, Thailand, and Mainland China (office). Leveraging the advantage of this regional layout, we effectively grasp international economic development and provide comprehensive wealth management products and services to domestic and foreign customers, recording significant internationalized features and achievements.

Operational Supply Chain



Breakdown of Main Supplier Categories in 2024		
Category	Number of Suppliers	Percentage of Total
Information services	40	23.39%
Information equipment	19	11.11%
Engineering	60	35.09%
Restaurants and food ingredients	23	13.45%
Paper and prints	7	4.09%
Office supplies	5	2.93%
Others and services	17	9.94%
Total	171	100.00%

Milestones of KGI Securities (establishment date and history)





## Association Participation

Association	Position
Securities Investment Trust & Consulting Association of the ROC	Member
Chinese National Futures Association	Vice Chairman Mi Yi-Yong serves as a supervisor
Taiwan Securities Association	Vice Chairman Mi Yi-Yong serves as a 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	Member

## Business Achievements:

The Company achieved a net profit after tax of NT\$10.138 billion for 2024, representing a 38% increase compared to the previous year. The operational performance of each business segment is detailed as follows:

- **Brokerage and Wealth Management Business:** The domestic brokerage business holds a market share of 10.36%, firmly maintaining the second position among peers. The asset management scale of the wealth management business has reached a record high, continuously advancing towards a refined wealth management service model.
- **Foreign Institutional Business:** The foreign corporate investor brokerage business holds a market share of 15.9%, maintaining the No. 1 position among domestic peers. The securities lending business has a market share of 17.4%, ranking third in the industry. This reflects the professional research service quality and internationally standardized trading system architecture provided by the Company, which is highly recognized by foreign institutional investors. Additionally, in October 2023, the Company launched custody services for foreign institutional investors and has since been actively expanding its securities lending pool to meet diverse client needs.
- **Capital Market Business:** The total number of cases handled for underwriting initial public offerings and secondary market fundraising reached 56, achieving a market share of 18%, maintaining the top position for 12 consecutive years. The total underwriting amount was NT\$45.4 billion, with a market share of 21%, also ranking first in the industry.
- **Bond Business:** The total amount of primary underwriting for NTD corporate bonds and international bonds reached NT\$127.7 billion, capturing a market share of 13.3% and ranking first among peers. In addition to underwriting, the Company led the domestic securities industry in terms of notional principal for structured products linked to leveraged funds, ETFs, and bonds.
- **Derivatives Business:** The total value and number of issued subscription (put) warrants were NT\$75 billion and 12,142 contracts, respectively, representing market shares of 15% and 16%. The annual market share of warrant trading volume was 14%, ranking third in the market.

- **Stock Dealing Business:** The TAIEX reached a historical high of 24,416 points, achieving an annual increase of 28.47%. Proprietary trading, by effectively grasping the overall market direction and selecting stocks appropriately, achieved higher profits compared to the previous year, with a return rate outperforming the broader market.

In addition to significant profit growth, the Company achieved outstanding results in 2024, winning a total of 66 awards domestically and internationally, setting a new record for two consecutive years. The awards cover wealth management, digital innovation, customer service, research analysis, fair treatment of customers, stewardship, ESG, and sustainable finance. Leveraging outstanding financial expertise, service, and a comprehensive Asia-Pacific layout advantage, the professional team has been repeatedly recognized by domestic and international financial media, regulatory authorities, foreign institutional investors, and professional organizations, firmly maintaining its position as an industry-leading brand. A summary of key domestic and international awards is as follows:

## Wealth Management

Awarding Unit	Award
Business Today	[Wealth Management Bank and Securities Evaluation] Excellence Award for Best Wealth Management Brokerage, Best Wealth Management Brand Image, Best in Customer Satisfaction, Best Sales Team, and Best Wealth Growth Award
Wealth Magazine	[Wealth Management Awards] Best Wealth Management, Best Sales Team, Best Public Welfare Promotion, Best Print Marketing Award
Excellence Magazine	[2024 Excellence Securities Evaluation] Best Wealth Growth Award
Commercial Times	[Trust Award for Diverse Trust Innovation] Gold Award for Best Securities Firm Wealth Management Trust Innovation, Excellence Award for Best Marketable Securities Trust Innovation

## Diverse Products

Awarding Unit	Award
The Asset	Taiwan's Best Corporate and Institutional Financial Advisor, Best TWD Bond Underwriter, Best Social Responsibility Bond Underwriting Deal, Best Merger and Acquisition Deal, and Best Merger and Acquisition Financial Advisor
Finance Asia	Taiwan's Best Bond Underwriter
Central Bank	Second Place in the Central Government Bond Dealers' Performance Evaluation for Government Bond Operations
TWSE	Recipient of 11 major awards, including for Market Making of Listed Stocks, Warrant Issuance, and as an Intermediary Institution
TPEX	Recipient of 6 major awards, including for Market Making of OTC Stocks, ETF Market Making, Warrant Issuance for OTC Stocks, and Outstanding Performance in OTC Listing Recommendation and Guidance
TAIFEX	Futures Broker Trading Volume Diamond Award, Futures Trading Assistant Trading Volume Diamond Award



Research and Analysis

Awarding Unit	Award
Institutional Investor	Best Local Taiwanese Brokerage Firm, Best Analyst in Taiwan Energy and Petrochemical Sector, Best Analyst in Taiwan Raw Materials Sector, Best Analyst in Taiwan Financial Industry, and Best Analyst in Taiwan Biotechnology and Healthcare Sector

Digital Innovation & Customer Service

Awarding Unit	Award
Business Today	[Wealth Management Bank and Securities Evaluation] Best Digital Experience, Best Intelligent Wealth Management
Wealth Magazine	[Wealth Management Awards] Best Digital Intelligence System
China Times	[Financial Services Awards] Intelligent Wealth Management Award, Service Quality Award, Senior-Friendly Award
Taiwan Contact Center Development Association	[Excellence in Customer Service Awards] Best Customer Experience Company, Best Integrated Marketing Company
Taiwan Service Auditing Association	[Taiwan Best Customer Center Award] Securities Industry Gold Award
Commercial Times	[Digital Finance Awards] Gold Award in Anti-Fraud Category – Digital Information Security; Excellence Award in Security Category – Digital Information Security

Fair Treatment of Customers & Stewardship

Awarding Unit	Award
FSC	[Fair Customer Treatment Evaluation] Top 25% in the Securities Industry, Top 25% in the Futures Industry, and Most Improved Award
TWSE	Outstanding Award in Securities Firms' Anti-Fraud Evaluation Activity, Listed Among Top Performers in Institutional Investor Stewardship Information Disclosure

ESG and Sustainable Finance

Awarding Unit	Award
Taiwan Institute for Sustainable Energy	[TCSA Taiwan Corporate Sustainability Awards] Silver Award for Sustainability Reporting – Financial & Insurance Industry, Taiwan Corporate Sustainability Excellence Award
The Asset	Best Social Responsibility Bond Underwriting Deal
Wealth Magazine	[Financial Awards] Sustainable Finance Award (Non-Financial Holding Category) – Excellence Award
Business Today	[Wealth Management Bank and Securities Evaluation] Best Sustainable Development Award
1111 Job Bank	Happy Enterprise Gold Award
Taipei City Government	Taipei City Certification for Middle-aged and Senior-Friendly Enterprises
Taoyuan City Labor Bureau	Gold Award in Corporate Procurement Competition for Taoyuan Sheltered Workshop Products
Taipei City Government	Taipei City Net Zero Leadership Award – Exemplary Award

Financial Performance:

Unit: Unless otherwise specified, amounts are in thousands of NTD.

Item		2022	2023	2024
Operating Capacity	Net revenue	20,702,198	28,451,953	37,447,299
	Operating cost	5,849,758	10,615,920	13,576,983
Profitability	Net profit for the period	3,630,204	7,346,418	10,142,767
	Return on assets (%)	0.93%	1.82%	2.14%
	Return on equity (%)	5.83%	13.03%	16.31%
	Earnings per share (NT\$)	1.61	3.97	5.58
Dividends Distributed	Cash dividend per share (NT\$)	0.888	3.476	4.654
	Dividend per share (NT\$)	0	0	0
Economic Value Distributed	Employee salary and welfare expenses	6,767,939	8,575,178	9,936,701
	Taxes paid to the government (Note 1)	1,819,980	1,758,790	3,153,709
	Amount paid to capital contributors (Note 2)	3,871,571	13,225,658	8,658,890
	Amount paid to capital contributors – shareholders	1,668,432	6,318,464	8,459,545
	Amount paid to capital contributors – non-shareholders	2,203,139	6,907,194	8,658,890
	Community investment (Note 3)	25,650	25,445	32,230
Government subsidies		311	0	0
Economic value preserved (Note 4)		2,367,300	-5,749,038	2,088,786

Source: The 2024 Consolidated Financial Statements of KGI Securities audited and certified by CPAs

Note 1: Taxes paid to the government include income tax, business tax, and securities transaction tax.

Note 2: Payments to investors include interest expenses and dividend distributions.

Note 3: Community investment refers to donations made during the reporting year.

Note 4: Retained Economic Value = Generated Direct Economic Value - Distributed Economic Value The generated direct economic value is represented by the net income in this table; the distributed economic value includes operating costs, employee salaries and welfare expenses, payments to investors, payments to the government, and community investments.

A large, stylized orange number '1' is positioned to the left of the title 'Sustainability Strategy'. The background of the page features a photograph of a tea plant with green leaves and buds, set against a bright blue sky with soft, white clouds. The tea plant is in the foreground, slightly out of focus, while the sky and clouds fill the background.

# 1 Sustainability Strategy

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“Corporate Governance,” “Intelligent Finance,” “Elite Talent Development,” “Low-Carbon Economy,” and “Co-creating Sustainable Value.”







# 1.1 Sustainability Vision and Sustainable Development Performance

The Company actively implements “Green Finance,” the “Implementation Strategy for the Sustainable Development of the Securities and Futures Companies,” and other sustainability finance related policies, in alignment with the KGI Financial Group’s five core ESG strategies: “Corporate Governance,” “Intelligent Finance,” “Elite Talent Development,” “Low-Carbon Economy,” and “Co-creating Sustainable Value.” The “Guidelines for Sustainable Development” have been established, committing KGI Financial to actively implement sustainable development in the course of business operations to align with global trends. Through our role as a responsible corporate citizen, we aim to contribute to the national economy, enhance the quality of life for employees, communities, and society, and cultivate a competitive edge rooted in sustainability. The Company has also engaged external experts to conduct risk analyses and assessments related to sustainability, ESG, and climate change. Together, we develop relevant policies and response strategies. To ensure transparency, we disclose our progress through the publication of ESG Reports and TCFD Reports, enabling stakeholders to monitor KGI Securities’ sustainable development. Our ESG achievements to date are summarized as follows:

Five Core Strategies	Key Indicator	Achievement Status	Action Plans and Achievements to Date
<div><div>Corporate Governance</div></div>	The Company fulfills its duty as a good manager, ensuring the implementation of sustainable development policies. Through institutionalized governance structures and mechanisms, it continuously improves and comprehensively enhances the quality of sustainable governance.	<div></div> Fully accomplished, with continuous strengthening of governance structure and information disclosure mechanisms, demonstrating outstanding execution effectiveness.	<div><div>1. <b>Governance Structure:</b> In 2023, the Board of Directors approved the establishment of a Sustainability Committee at the board level, chaired by the Chairman, with two directors and two independent directors serving as members. The committee oversees six major functional working groups, including corporate governance, social welfare, environmental sustainability, responsible finance, customer rights, and employee care, each promoting sustainable development policies according to their respective business responsibilities. Since June 2023, the Sustainability Committee has held regular quarterly meetings. As of now, nine meetings have been held on schedule and with high quality. The Committee reports regularly to the Board of Directors to evaluate implementation outcomes. Key matters reviewed and approved include:<ul style="list-style-type: none"><li>• Annual Sustainable Development Plan</li><li>• ESG Investment Performance</li><li>• Formulation and Revision of Major Sustainability-Related Policies</li><li>• Progress of Sustainability Initiatives</li><li>• Reports on Key Sustainability Projects</li><li>• Reports on Climate-Related Risks and Opportunities</li></ul></div><div>2. <b>Key Management Policies and Regulations:</b> The Company’s Board of Directors has approved the following key regulations to gradually improve the rules and regulations related to sustainable development and climate risk management, establish an internal control system for sustainable information management, and continuously revise the content in accordance with external regulations and standards.<ul style="list-style-type: none"><li>• Guidelines for Sustainable Development</li><li>• Policy for Responsible Investment</li><li>• Non-Trading Activities Management Guidelines</li><li>• Sustainability Information Management Guidelines</li><li>• Sustainability Committee Articles of Incorporation</li><li>• Human Rights Policy</li><li>• Ethical Corporate Management Best Practice Principles</li><li>• Corporate Governance Best Practice Principles</li><li>• Climate Change Management Guidelines</li><li>• Environmental Policy</li><li>• Procedures for Proprietary Trading of Securities and Derivatives</li></ul></div><div>3. <b>Sustainable Development Information Disclosure:</b><ul style="list-style-type: none"><li>• Since 2023, KGI Securities has independently published the “KGI Securities ESG Report,” in compliance with the “Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms” and relevant international sustainability reporting standards (GRI, SASB, TCFD). The report has undergone third-party assurance and will continue to be published annually on a regular basis.</li><li>• Since 2023, an independent “KGI Securities TCFD Report” has been issued in accordance with the “TCFD Framework for Climate-Related Financial Disclosures.” This report will likewise be published annually going forward.</li><li>• In the fourth quarter of 2024, in alignment with the project schedule of the financial holding parent company, the Company will implement the IFRS Sustainability Disclosure Standards (S1 &amp; S2) and the internal control system for sustainability information management. This will involve phased adjustments to company processes, financial and non-financial reporting procedures, internal controls, and daily operations across departments. The goal is to enhance sustainability and climate-related financial disclosures and ensure a smooth transition to full IFRS alignment.</li></ul></div><div>4. <b>Major International Initiatives:</b> Continue to implement SDGs, GRI, TCFD, SASB, PRI, and PCAF. In 2024, in alignment with our financial holding parent company, we will begin supporting the Taskforce on Nature-related Financial Disclosures (TNFD). Furthermore, in 2025, we plan to work alongside our parent company to obtain SBTi (Science Based Targets initiative) validation.</div></div>

Five Core Strategies	Key Indicator	Achievement Status	Action Plans and Achievements to Date
<div><p>Intelligent Finance</p></div>	<p>The Company actively promotes sustainable finance, responsible investment, and the Stewardship Principles for institutional investors, driving the industry's net-zero transition. In line with the principle of treating customers fairly, the Company fosters a fair and inclusive corporate culture through three key areas: customer service, financial inclusion, and digital finance.</p> <ul style="list-style-type: none"><li>• The investment ratio for high carbon-emitting industries is below 24.5%.</li><li>• Annual increase of 3% in investment targets that have committed to or set SBTs.</li><li>• Annual increase of 5% in ESG bond investments</li><li>• First contact resolution rate for customer service center at 97.5% or above.</li><li>• Continued focus on NPS and customer satisfaction</li><li>• Promotion of inclusive financial products and services</li><li>• Optimization of the digital customer service experience</li></ul>	<div></div> <p>Fully accomplished, with a dual-track layout of investment portfolio and customer service, demonstrating the effectiveness of intelligent sustainable finance implementation.</p>	<p><b>1. Green Finance:</b> The Responsible Finance WG has established annual KPIs to guide targets related to portfolio carbon emissions, the proportion of investments and financing in high carbon-emitting industries, and the annual growth in green investment and financing.</p> <ul style="list-style-type: none"><li>• Target Industry Objective: For 2024, the proportion of non-short-term investment positions allocated to high carbon-emitting industries was reduced to 18%, successfully meeting the target.</li><li>• Engagement Target: As of 2024, 26.7% of the non-short-term investment positions were allocated to investees that have either committed to or set SBTs, achieving the engagement goal.</li><li>• Financial Transition Target: In 2024, the amount (par value) of ESG bond investments in the medium- and long-term bond portfolio reached approximately NT\$2.683 billion, fulfilling the financial transition objective.</li></ul> <p><b>2. ESG Awareness Promotion:</b> For three consecutive years, the Company has co-hosted major industry forums in collaboration with IR Trust, guiding participants to exchange and share their insights from a professional ESG perspective. In 2024, the forum focused on three of the most pressing ESG issues: carbon trading, sustainability bonds, and ESG evaluation and engagement. Discussions addressed both policy and practical dimensions, offering the latest information and analysis. The event brought together key decision-makers from client organizations and enterprises, enabling an integrated discussion on the opportunities and challenges that ESG trends present for Taiwan's capital markets.</p> <p><b>3. 5.2 ESG Products &amp; Services</b></p> <ul style="list-style-type: none"><li>• In 2024, the Company partnered with international structured product issuers to become an industry leader in promoting and offering a series of “Charitable Giving Note,” “Green Note,” and “Social Note” offshore structured bonds.</li><li>• The Company launched an immersive microsite titled “ESG Sustainability Pioneer,” dedicated to providing high-quality ESG investment options. The platform incorporates the “Bloomberg ESG Score” mechanism to evaluate corporate ESG performance based on the three pillars of Environment, Social, and Corporate Governance. It screens ESG-themed stocks from both the Taiwan and U.S. markets with ESG scores above 5 and among the top 10 by market capitalization. At the same time, by integrating the innovative thinking of National Taiwan University students, an ESG investment platform that combines innovative communication with practical investment experience has been developed, enabling investors to participate in ESG investing more easily.</li><li>• The Company served as the lead underwriter, assisting the client in successfully issuing Taiwan's first sustainability-linked exchangeable bond. The funds raised were used to support the client's green benefit investment projects to achieve sustainable transformation goals.</li></ul> <p><b>4. Treating Customers Fairly:</b> The Company continues to uphold the principles and various action measures of fair treatment of customers. A robust framework has been established to ensure Board-level involvement, cultivate a customer-first culture, and deliver client-centric sales and advisory services. Customer Service Enhancements: Emphasize awareness of financial investment risks and fraud prevention, pay attention to vulnerable groups such as the elderly, disabled, and youth, and focus on service quality and customer satisfaction. In 2024, the Company obtained ISO 10002:2018 certification for its complaints handling quality management system, marking the first time such certification has been achieved.</p> <ul style="list-style-type: none"><li>• Received the “Outstanding Award” for the Securities Firm Anti-Fraud Evaluation by TWSE</li><li>• Ranked in the top 25% in the 2024 Fair Treatment of Customers Evaluation by the FSC</li></ul>
<div><p>Elite Talent Development</p></div>	<p>The Company shall comply with relevant laws and regulations, protect the legitimate rights and interests of employees, and adhere to internationally recognized labor human rights. It is also essential to ensure that human resource policies do not include discrimination or differential treatment, establish a fair and transparent grievance mechanism, and implement a workplace culture of equality and respect.</p>	<div></div> <p>Fully accomplished. From the implementation of human rights and diversity inclusion to workplace safety, outstanding results have been demonstrated, creating a workplace environment focused on well-being and sustainable value.</p>	<p><b>1. Diversity and Inclusion:</b> Continuously enhance employee awareness of human rights policies, and regularly conduct training sessions on topics such as human rights policies and diversity and inclusion. In 2024, a total of 3,169 participants completed the awareness programs on the human rights policy and DEI-friendly workplace practices; 323 new employees received human rights policy training as part of their onboarding program.</p> <p><b>2. Talent Development and Growth:</b> The Company continues to strengthen its human capital and implement robust talent development initiatives. In addition to meeting regulatory requirements for management and professional competency training, KGI Securities offers a diverse range of training programs to enhance employees' core competitiveness. The training topics have also been extended to include ESG participation and the development of sustainable finance talent. In 2024, total employee training hours reached 161,980 hours.</p> <ul style="list-style-type: none"><li>• Certified as an Age-Friendly Employer in the 2nd Taipei City Mid-to-Senior Aged and Elderly-Friendly Enterprise Program</li><li>• Awarded the “Gold Award” in the 2024 Happy Enterprise Awards by 1111 Job Bank (fourth consecutive year of recognition)</li></ul> <p><b>3. Occupational Health and Safety:</b> Promoting the health and well-being of employees remains a core responsibility of the Company. In addition to offering competitive compensation and benefits, as well as leave policies that exceed the Labor Standards Act, the Company also offers various insurance benefits and personal care for employees. The Company also continually improves the workplace environment to ensure the highest level of employee care.</p> <ul style="list-style-type: none"><li>• In 2021, the Company obtained ISO 45001 Occupational Health and Safety Management System certification from the British Standards Institution (BSI); the certification remains valid and in effect. In 2023, the Company established an Occupational Health and Safety Committee to oversee the implementation of all health and safety policies.</li><li>• In 2024, we received the Taipei City Department of Health's top-tier certification for excellent breastfeeding rooms, AED Safe Location certification, and the Health Promotion Administration's Healthy Workplace certification.</li></ul>



Five Core Strategies	Key Indicator	Achievement Status	Action Plans and Achievements to Date
<div> Low-Carbon Economy</div>	<p>The Company complies with environmental laws and international standards, actively implements carbon reduction actions and environmental protection in its operations and internal management, and strives to achieve an environmentally sustainable operational model.</p> <ul style="list-style-type: none"><li>The operational carbon emissions for the year 2024 were reduced by 25% compared to the baseline year.</li><li>In 2024, electricity consumption by 2%, while water consumption decrease by 1%.</li><li>The proportion of renewable energy usage increased by 20%.</li></ul>	<div></div> <p>Fully accomplished, with remarkable results in carbon management, energy transition, and green initiatives, demonstrating substantial outcomes in low-carbon operations and sustainable management.</p>	<p><b>1. Low-Carbon Operation Management:</b> Collaborated with the financial holding parent company to establish short-, medium-, and long-term carbon reduction targets and pathways in accordance with the Science Based Targets initiative (SBTi), and successfully passed the review in March 2025. Significant progress was made in 2024, with a 33% reduction in greenhouse gas emissions from Taiwan-based operations compared to the 2022 baseline year, successfully meeting the carbon reduction goal.</p> <ul style="list-style-type: none"><li>Continuously implement energy-saving and carbon reduction measures as well as educational campaigns, replacing lighting fixtures, chilled water units, and other equipment to enhance equipment efficiency. The cumulative electricity consumption for the entire year of 2024 decreased by approximately 5.8% compared to 2023, achieving the target.</li><li>Ongoing water conservation efforts and education programs, achieving a 7.5% reduction in annual water usage compared to 2023.</li><li>Maintain external certifications for ISO 50001 Energy Management System and ISO 14064-1 Greenhouse Gas Inventory, and acquired external certification for ISO 14001 Environmental Management System in June 2024, to systematically manage environmental risks and opportunities.</li></ul> <p><b>2. Energy Transition:</b> Since 2022, the Company has partnered with renewable energy providers to phase in renewable energy. By 2024, all corporate headquarters buildings in Taiwan were fully powered by renewable electricity. In 2024, approximately 3.6 million kilowatt-hours of green electricity were supplied, achieving a carbon reduction equivalent to 1,700 tons of carbon dioxide, making a substantial contribution to the carbon neutrality goal.</p> <p><b>3. Environmental Sustainability Advocacy:</b> Continuously promote policies related to green office practices and sustainable dining, implementing ESG principles in daily life. In 2024, approximately NT\$450,000 was allocated for the procurement of organic food ingredients. A total of 35 events highlighting sustainable development were conducted, alongside 8 sustainable development lectures and 3 ecological habitat restoration volunteer events, demonstrating a commitment to environmental protection and biodiversity. In 2025, further join the Ministry of Environment's "Green Lifestyle Partnership" to continuously promote green living.</p> <p><b>4. Sustainable Procurement:</b> In alignment with the implementation of low-carbon sustainable development, the procurement of eco-friendly products has been maintained. For the entire year of 2024, the cumulative amount of green procurement reached approximately NT\$110 million, with the proportion of green procurement achieving 19.41%, representing a 56% increase compared to 2023.</p>
<div> Co-Creation of Sustainable Value</div>	<p>Integrate the Group's resources and strengths to deeply engage in major disaster relief, academic research, talent cultivation, and care for disadvantaged groups. Implement corporate social responsibility at all levels, actively exert social influence, and convey sustainable values.</p>	<div></div> <p>Fully accomplished. With over a decade of deep engagement by its charitable foundation, the Company has continued to expand its philanthropic efforts, producing tangible results that receive widespread recognition.</p>	<p><b>1. Social Care and Support for Disadvantaged Groups:</b> In 2012, the Company established the KGI Charity Foundation (KGI Charity) through a dedicated donation, with a long-term commitment to promoting public welfare initiatives. Over the past decade, the "Love, Starting From Elementary School" Scholarship Program has invested nearly NT\$70 million in scholarships, assisting over 4,000 disadvantaged students in their education. Emergency relief funds totaling approximately NT\$50 million have been provided to help over 600 families overcome sudden hardships. Additionally, the "Let Love Flower" care program for disadvantaged children in remote areas has allocated more than NT\$60 million to provide nutritious breakfasts and English education for over 10,000 children. In 2024, following the Hualien earthquake, the Company and its employees donated approximately NT\$6.4 million to assist in post-disaster recovery and reconstruction.</p> <p><b>2. Beach Cleanup:</b> To protect Taiwan's coastline and marine ecosystems, the Company encourages employees to organize and participate in beach cleanup activities. In 2024, a total of 33 beach cleanup events were held, with nearly 900 participants. Over 1,480 kilograms of marine debris were collected. The number of cleanup events and participants ranked first in the financial industry. Furthermore, the Company actively responded to the New Taipei City Government's "Corporate Beach Cleanup" initiative by committing to adopt the coastline of New Taipei City.</p> <p><b>3. Corporate Volunteering:</b> Actively promoting social welfare and committed to corporate citizenship, employees are encouraged to contribute to sustainable development. In 2024, nearly 30 volunteer activities were organized throughout the year, with a total volunteer service time exceeding 30,000 hours, averaging nearly 9 hours per person.</p>

## Enhancing Sustainability Awareness

In response to global sustainability trends, the Company in 2024 arranged a series of sustainability-related seminars and training programs tailored to different employee levels. For example, all Directors were encouraged to participate in external sustainability forums and training courses throughout the year. Meanwhile, general employees were offered internal training sessions focused on sustainability topics. This top-down learning approach is designed to continually enhance the organization's sustainability knowledge base and foster a stronger culture of sustainable business practices.

Participants	Course Name	Total No. of Participants	Total Training Hrs.	Total Number of Sessions
Members of the Board of Directors	The Structure and Value of Corporate Sustainability Reports	1	3	1
	Latest Developments in International Carbon Tariffs and Sustainability Strategies for the Securities and Financial Industry	1	3	1
	Carbon Trading Mechanisms and Applications in Carbon Management	1	3	1
	2024 Green Finance Leaders Roundtable: Deepening Sustainable Finance to Lead Net-Zero Transition (Session 1)	1	3	1
	Challenges and Opportunities on the Path to Sustainable Development and Introduction to Greenhouse Gas Inventory	1	3	1
	Corporate Governance Lecture Series (Session 191): Impact Investing and SDG Implementation	1	3	1
	Executive Training on Sustainable Finance	1	1.5	1
	Trends, Regulations, and Practical Insights in Sustainable Finance	267	400.5	1
Senior Management	Fundamentals of Sustainable Finance	1,119	1,678.5	1
General Staff	Trends in Sustainable Development and Sustainable Governance	2,910	8,730	1
	Sustainable Development Seminars (Topics Include Climate and Nature)	3,520	3,520	8

## 1.2 Sustainability Governance Structure

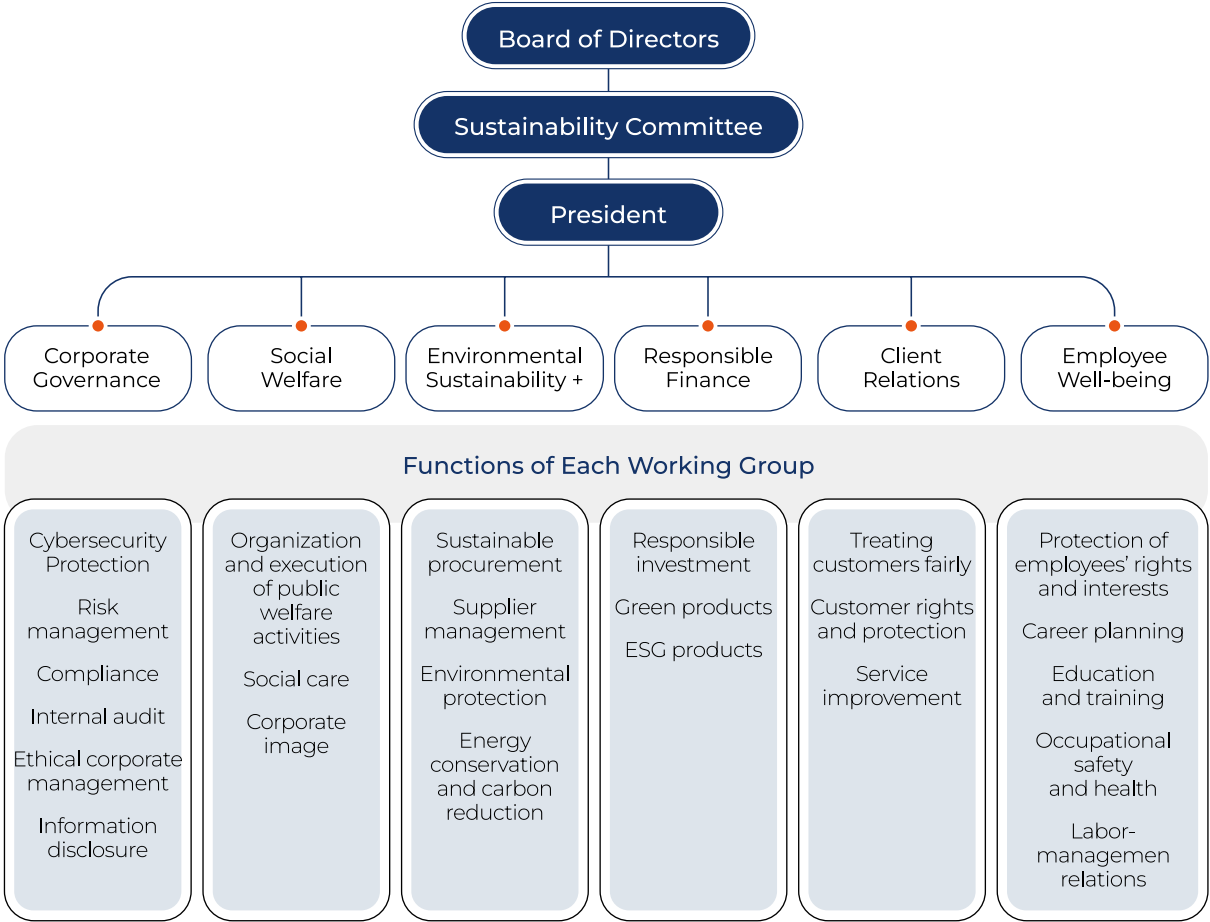
The Company approved the “KGI Securities Co., Ltd. Guidelines for Sustainable Development” at the Board of Directors meeting on January 12, 2023, and published it on January 17. In accordance with the regulations of the “Corporate Governance Best-Practice Principles for Securities Firms,” a Sustainability Committee was established based on the concept of sustainable operation, reporting to the Board of Directors. On March 27, 2023, the Board of Directors approved the Company's “Sustainability Committee Articles of Incorporation,” which define the committee's members, duties, meeting procedures, and the resources the Company must provide to support its functions.

The members of the Sustainability Committee are appointed by resolution of the Board of Directors, consisting of a total of 5 members, including 3 directors and 2 independent directors. The Chairman of the Board serves as an ex-officio member and acts as the Committee Chairperson. The committee meets at least quarterly to report on execution effectiveness and future work plans to the Board.

### Sustainability Committee Organizational Structure

Under the Sustainability Committee, a task force has been established, led by the company's President, who is responsible for implementing sustainability policies. Based on the nature of each task, the task force is further divided into six functional working groups: Corporate Governance, Social Welfare, Environmental Sustainability, Responsible Finance, Customer Rights, and Employee Care. Each working group appoints a supervisor-level manager as the team leader based on the nature of the business and responsibilities, who coordinates the execution of the group's tasks.

According to their designated functions, the working groups are responsible for formulating the Company's annual key topics, sustainability goals, and strategic direction. These are regularly submitted to the Sustainability Committee and, upon resolution, reported to the Board of Directors. The working groups also collect relevant information and assist in the preparation of the Company's ESG Report.













# 1.3 Engagement and Communication with Stakeholders

## Stakeholder Identification

In 2023, the Company referenced the principles of the AA1000 Stakeholder Engagement Standard (AA1000SES), and based on the five principles of “responsibility, influence, tension, diversity of relationships, and dependency,” analyzed the operational status of KGI Securities. After analyzing domestic and international industry trends, the Company identified eight major stakeholders of KGI Securities as “shareholders and investors, employees, customers, community, investees, suppliers, government and regulatory authorities, and media.” In 2024, the Company continued to engage with these eight key stakeholder groups based on the identification results, actively listening to their concerns and providing timely and appropriate responses.

## Stakeholder Communication Channels and Response Outcomes

Stakeholder	Importance	Communication Channels	Communication Frequency and Outcomes
<div><div>Shareholders/ Investors</div></div>	The support of shareholders and investors will enhance the corporate value of the Company.	<ul style="list-style-type: none"><li>• News coverage and material disclosures via media, the Market Observation Post System (MOPS), real-time announcements, and press releases</li><li>• Shareholders' meetings, domestic and international investor conferences, analyst visits, conference calls, and forums</li><li>• Shareholder services and investor relations contact points</li></ul>	<ul style="list-style-type: none"><li>• 74 material disclosures and announcements issued</li><li>• 2 annual shareholders' meetings held; Chinese and English annual reports published and shared with foreign investors</li><li>• 7 investor conferences and online earnings calls conducted</li></ul>
<div><div>Employees</div></div>	Good employee relations reinforce the foundation for sustainable business operations.	<ul style="list-style-type: none"><li>• Employee engagement surveys</li><li>• Training notifications and announcements/communication of policies and practices</li><li>• Labor-management meetings, Occupational Safety and Health Committee meetings</li><li>• Internal job postings and management trainee recruitment</li></ul>	<ul style="list-style-type: none"><li>• 99% response rate in the annual organizational assessment survey</li><li>• 95 internal announcements issued to communicate key employee information</li><li>• 4 labor-management meetings held during the year</li><li>• 4 Occupational Safety and Health Committee meetings held during the year</li><li>• 43 additional internal announcements issued on an as-needed basis</li><li>• Ongoing collection of employee feedback</li></ul>
<div><div>Clients</div></div>	Customer support and trust contribute to the Company's revenue growth.	<ul style="list-style-type: none"><li>• Advertising and Social Media</li><li>• Customer service email and hotline, AI-powered 24/7 chatbot, live chat, 24-hour service line, customer complaint line, website message board</li><li>• User-specific identification numbers and send OTP text messages to protect customers from fraud</li><li>• Customer care mechanism</li><li>• Customer satisfaction surveys</li><li>• Financial seminars and wealth management briefings</li></ul>	<ul style="list-style-type: none"><li>• Over 1.98 million LINE followers for the “K-LOHAS Investor” account; 67,732 users linked accounts.</li><li>• Official Facebook page: 37,000 likes and 40,000 followers</li><li>• KGI Securities LOHAS Investor YouTube channel: 1,157 videos published, 22,100 subscribers, 6.61 million views</li><li>• Hosted 50 online financial seminars</li><li>• Launched the “KGI Stock Rising” YouTube series in August 2023; by May 2025, 854 videos published, 41,000 subscribers, 6.11 million views</li><li>• Launched the “Finance with Wen” podcast and YouTube series on October 25, 2023 As of May 2025, a total of 80 episodes have been broadcast, with 286,000 downloads and 1.68 million YouTube views</li><li>• Conducted quarterly care outreach to senior clients, averaging about 5,000 contacts per quarter with 100% outreach rate</li><li>• Anti-fraud education reached 170,000 individuals with 182 awareness sessions held by the end of 2024</li></ul>

Stakeholder	Importance	Communication Channels	Communication Frequency and Outcomes
<div><div>Community</div></div>	Strong community relations help enhance brand image and public goodwill.	<ul style="list-style-type: none"><li>Partnered with NGOs and local small farmers to conduct community volunteer activities, such as the Taiwan Foundation for the Blind, Children Are Us Foundation, food banks, and toy banks</li><li>Organized employee volunteer teams to clean up Taiwan's coastline and protect marine ecosystems</li><li>Through the KGI Charity Foundation, continued efforts to support disadvantaged and rural children, aiming to bridge the urban-rural resource gap</li></ul>	<ul style="list-style-type: none"><li>Total of 13,817 volunteer participations and 30,497 cumulative service hours in 2024</li><li>Organized 33 beach cleanups with 897 volunteers; collected over 1,480 kg of marine debris—leading the financial sector in both event count and volunteer engagement</li><li>Provided educational assistance to 508 underprivileged students across 215 schools</li><li>Funded nutrition and English learning resources for 5,616 doubly disadvantaged students at 112 rural schools</li></ul>
<div><div>Investees</div></div>	The business performance of the investees directly affects the Company's profitability.	<ul style="list-style-type: none"><li>Participate in investees' shareholders meetings and Board meetings and exercise voting rights</li><li>Conducted site visits to investee companies</li></ul>	<ul style="list-style-type: none"><li>In 2024, KGI Securities engaged with investee company management through 6,299 meetings or calls, 1,112 emails, participation in 789 investor conferences, and attendance at 1,333 shareholders' meetings (including general and extraordinary meetings), aiming to better understand and communicate with management about industry risks and strategic directions.</li><li>Achieved a 100% participation rate in investee company shareholders' meetings in 2024</li></ul>
<div><div>Suppliers</div></div>	Suppliers that provide safe and eco-friendly products or services help support the Company's stable operations.	<ul style="list-style-type: none"><li>Signing of the Supplier CSR Commitment Letter</li><li>Pre-bid briefing sessions</li><li>Supplier conferences</li><li>Supplier audit, evaluation, self-assessment, education and training, and distinguished supplier recognition</li><li>Participate in green procurement projects</li></ul>	<ul style="list-style-type: none"><li>100% of key suppliers signed the Supplier CSR Commitment Letter</li><li>The General Affairs Department's Construction Team held pre-bid briefing sessions before construction project tenders</li><li>In collaboration with KGI Financial, the Company hosts an annual supplier conference</li><li>Conducted irregular supplier audits, evaluations, and self-assessments</li></ul>
<div><div>Government and Competent Authorities</div></div>	Government and competent authority policies directly influence the Company's operational strategies.	<ul style="list-style-type: none"><li>Participation in policy discussions and forums</li><li>Visits to competent authorities</li></ul>	<ul style="list-style-type: none"><li>Participated in discussions and forums on an as-needed basis</li><li>Responded to regulatory inspections and promptly provided required information</li></ul>
<div><div>Media</div></div>	Maintaining strong media relations and smooth communication channels enables the Company to share business updates through the media.	<ul style="list-style-type: none"><li>Press releases: issued as needed</li><li>Press conferences: held as needed</li><li>Media communications: real-time</li></ul>	<ul style="list-style-type: none"><li>A total of 94 press releases issued in the year</li><li>2 press conferences held</li><li>A dedicated unit and personnel are responsible for media communication matters and promptly respond to media inquiries</li></ul>



# 1.4 Material Topic Analysis and Management Approach

## Materiality Identification Process

KGI Securities identifies material sustainability topics by referencing the GRI Standards, SASB Standards, international sustainability trends, domestic peer practices, and group strategies. Topic research is conducted and evaluated annually through internal assessment surveys and biennial external stakeholder surveys. The findings are then discussed and assessed by the Sustainability Committee's working groups, with final decisions made after consultation with external experts. The 2024 KGI Securities ESG Report identifies a total of 12 material topics. The detailed assessment and identification process is as follows:

Procedures	Description
 Collection and Identification	The Sustainability Committee's working groups, referencing international sustainability standards, global sustainability development trends, domestic industry peers, and group strategies, and considering industry characteristics, consolidated and identified 16 sustainability topics for materiality assessment.
 Evaluation Method	Using a double materiality analysis approach, the impacts of sustainability topics on external economic, environmental, social, and human rights aspects, as well as on the internal operations of the Company, were evaluated. The annual material sustainability topics were then determined by integrating the results of the impact materiality assessment with the financial materiality assessment.
 Analysis Process	<b>Sustainability Impact Materiality Assessment:</b> A total of 20 participants, including the Sustainability Committee working groups and senior management, completed an evaluation of the impacts of sustainability topics on economic, environmental, and social (including human rights) dimensions (Note 1). This was combined with the degree of stakeholder concern regarding sustainability topics (Note 2) to determine the external significance of sustainability issues. Issues with a medium to high level of impact were identified as key issues and incorporated into the management guidelines for material topics. <b>Financial Materiality Impact Assessment:</b> Relevant units assessed the potential financial impact of risks and opportunities associated with each sustainability topic (Note 3). Topics with moderate to high financial impact were also considered key issues and included in the management framework.
 Confirmation	After comprehensive evaluation and discussion by the Sustainability Committee working groups, priority was given to issues with double materiality. In addition, GRI guidelines were referenced to include sustainability topics deemed more critical to external stakeholders, while also considering their importance to the company. In 2024, climate change adaptation strategy was added, resulting in a total of 12 material topics for the year. The results of the sustainability materiality analysis, financial materiality analysis, and material topic assessments were all submitted to the Company's Sustainability Committee and Board of Directors for resolution and approval.

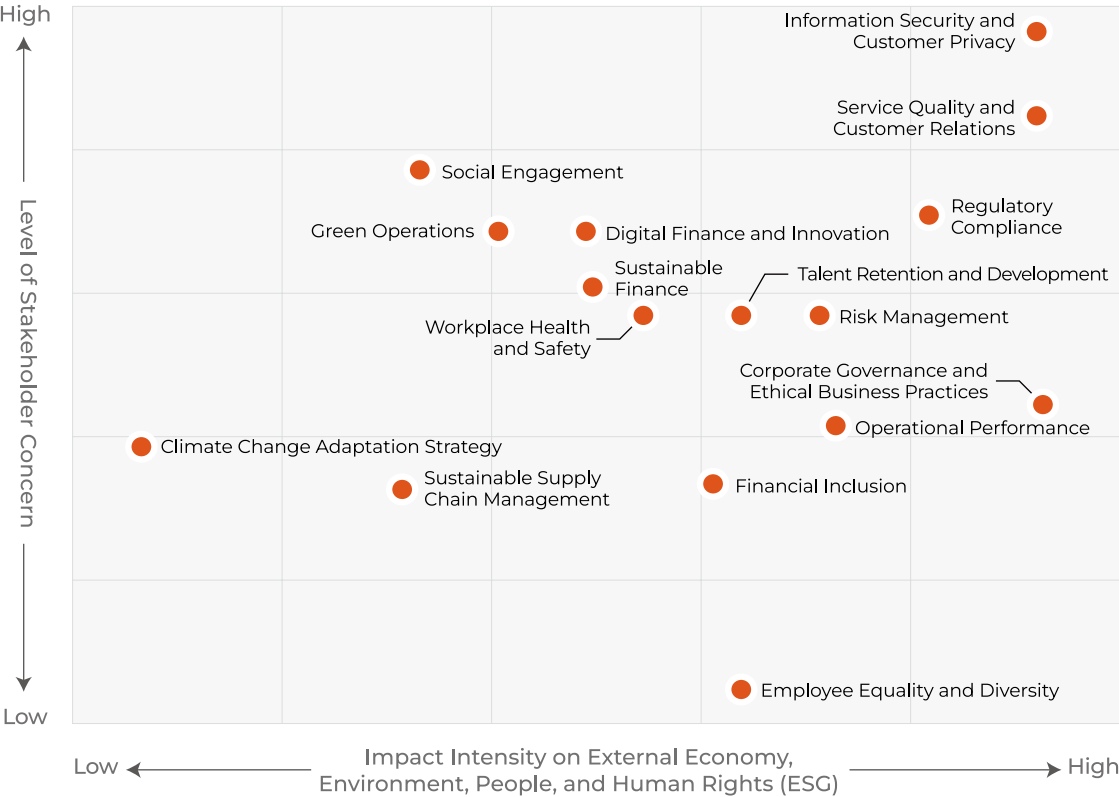
Note:

1. For the 16 sustainability topics, the potential positive or negative impacts on E (Environmental), S (Social/Human Rights), and G (Governance) were assessed in terms of their likelihood of occurrence and scale of impact.

2. The external stakeholder concern survey is conducted every two years. Since the survey was conducted in 2023, the 2024 analysis uses the 2023 assessment results.

3. The financial materiality assessment evaluates the financial impact intensity and likelihood of occurrence of risks and opportunities associated with each sustainability topic.

■ Sustainability Materiality Assessment Matrix



Results of Double Materiality Analysis

After the Sustainability Committee working groups conducted a comprehensive assessment of sustainability materiality and financial materiality, a total of 12 material topics were finalized. These include: “Regulatory Compliance, Risk Management, Operating Performance, Information Security and Customer Privacy, Service Quality and Customer Relations, Corporate Governance and Ethical Management, Talent Retention and Development, Workplace Health and Safety, Sustainable Finance, Digital Finance and Innovation, Green Operations, and Climate Change Response Strategies.”



The Company's 2024 sustainability materiality and financial materiality analysis results are as follows:


Sustainability Topic	Compliance	Risk Management	Operating Performance	Information Security and Customer Privacy	Service Quality and Customer Relations	Corporate Governance and Ethical Management	Talent Retention and Development	Workplace Health and Safety	Sustainable Finance	Digital Finance and Innovation	Green Operations	Climate Change Response Strategies	Financial Inclusion (Inclusive Finance)	Employee Equality and Diversity	Supplier Sustainability Management	Social Engagement
Sustainability Materiality	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Secondary	Secondary	Secondary	Secondary	Secondary
Financial Materiality	Critical	Critical	Critical	Secondary	Secondary	Secondary	Secondary	Secondary	Secondary	Secondary	Secondary	Critical	Secondary	Secondary	Secondary	Secondary


Material Topic Management Policy, Target Establishment, and Evaluation System

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs	
Compliance	C2.1.5	Government and Competent Authorities, Media, Employees	To ensure compliance, KGI Securities has established a culture of law-abiding awareness among its employees, strengthening the promotion and training on securities and futures laws and regulations. This enables all staff to become familiar with the various regulations relevant to their roles, ensuring that all operational activities comply with legal requirements. This approach reduces the risk of penalties, achieves the goal of corporate ethical management, and generates positive effects on the operating environment.				<div><div>10</div><div>DECENT WORK AND ECONOMIC GROWTH</div></div> <div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div> <div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div></div>	
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism	
The Company has primarily established the “Assessment Content and Procedures for Legal Compliance” to regulate key aspects of compliance operations, including: 1. Establishing a clear and appropriate system for the communication, consultation, coordination, and dissemination of laws and regulations. 2. Ensuring that all operational procedures and management rules are updated timely in accordance with relevant laws and regulations, so that all business activities comply with legal requirements. 3. Defining the assessment content and procedures for legal compliance and supervising each unit to conduct regular self-assessments on execution status. 4. Providing appropriate and adequate regulatory training to personnel in each department. 5. Supervising overseas branches to comply with the laws and regulations of their respective countries.			KGI Securities will establish the Company's employees’ awareness of legal compliance through conducting various regulatory training and promotion activities. At the same time, the company will carry out self-assessments and risk assessments related to legal compliance to help ensure that all business units operate in accordance with applicable laws and regulations. Furthermore, through risk assessments on dishonest behavior, each unit will evaluate the level of risk of unethical conduct in their operations, enabling the formulation of corresponding control measures to effectively implement the legal compliance system.	1. Continue to implement relevant legal compliance operations, including but not limited to ethical corporate management, fair customer treatment, and personal data protection. 2. Continuously optimize the operational mechanisms and system functions related to AML/CFT.	In accordance with the Financial Holding Company Act, apply digital and technological methods combined with compliance management measures to enhance the thoroughness of compliance management mechanisms, strengthen the efficiency of compliance communication, and continuously implement compliance education and promotion to raise employees' compliance awareness.	In line with the Financial Holding Company Act, optimize and upgrade the compliance infrastructure built with digital and technological methods, shaping the compliance technology ecosystem of the KGI Financial Group to enhance compliance effectiveness and establish a more comprehensive compliance mechanism.	The compliance affairs of the Company are overseen comprehensively by the Head of the Compliance Department, who reports to the President. The Compliance Department shall report on the Company's compliance status to the Board of Directors and the Audit Committee at least semiannually. If any material violation of laws or regulations is discovered, or if there is a downgrade in rating by the competent authority, the Board of Directors shall be promptly notified. Additionally, matters related to legal compliance shall be reported to the Audit Committee and the Board of Directors. In addition, business units are required to carry out self-assessments of their compliance status. Units engaged in securities or futures business must conduct compliance self-assessments at least once every six months. The results must be submitted to the Compliance Department for recordkeeping.	





Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Risk Management	C2.2	Shareholders and Investors, Customers, Investees, Government Agencies, and Regulatory Authorities	To effectively manage various risks and emerging risks related to the operations of KGI Securities, as well as the handling of related risk crises, and to strengthen the Company's competitive advantage, appropriate risk management policies may be established. These policies should be adaptable to changes in the business environment, operations, and activities, in order to keep risks within a manageable range and move toward sustainable development.				
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
To effectively manage risks related to the Company's operations and enhance its competitive advantage, KGI Securities has established the Risk Management Policy and other relevant guidelines in accordance with regulatory requirements, the risk management policy of the financial holding parent company, and the Company's business development strategy. These serve as the foundation for risk management compliance.			For the management of business limits and risk-related policies across departments, the Risk Management Department not only participates in the formulation and revision of relevant guidelines but also collaborates with other departments to implement monitoring processes. Furthermore, risk monitoring is supported by a sophisticated and evolving risk information system to effectively manage risks. Regular and ad hoc risk management reports and statements are provided to senior executives as references for business decision-making.	<div>1. Strengthen the identification mechanism for high-risk stocks in brokerage operations and establish quantitative indicators.</div> <div>2. Ensure the execution of daily market and credit risk monitoring operations, and maintain risk control within the Company's acceptable risk tolerance limits.</div> <div>3. Complete and issue the TCFD report to enhance the Company's transparency and compliance in climate risk management.</div> <div>4. Regularly consolidate carbon emission information of investment positions.</div>	<div>1. Continuously optimize the identification mechanism for high-risk stocks in brokerage operations, and make dynamic adjustments based on market changes.</div> <div>2. Ensure ongoing improvement of the market and credit risk management framework, maintaining risks within the Company's defined risk tolerance limits.</div> <div>3. Propose and implement climate-related information disclosure in accordance with IFRS S2.</div>	<div>1. Continuously optimize the identification mechanism for high-risk stocks in brokerage operations, and make dynamic adjustments based on market changes.</div> <div>2. Strengthen the Company's overall market and credit risk management capabilities to ensure operational stability under various risk scenarios.</div> <div>3. Enhance transparency and compliance in climate risk management.</div>	The risk management mechanism of the Company is regularly managed and supervised by the internal Risk Management Committee, Investment Review Committee, Product Review Committee, and Brokerage Business Credit Review Committee to oversee the implementation measures and performance outcomes of risk management. The Company also submits periodic risk management reports to external regulatory authorities, including the Financial Supervisory Commission (FSC), the Securities and Futures Bureau (SFB), the Taipei Exchange (TPEX), and the Taiwan Stock Exchange (TWSE). Additionally, the Company conducts regular financial inspections, risk assessments, and evaluations by Taiwan Ratings Corp., employing both internal and external supervisory management mechanisms to rigorously review the Company's risk management operations.
Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Operating Performance	About KGI	Shareholders and Investors, Employees, Customers, Investees	Enhance the Company's operational and financial performance, creating value for shareholders and investors, and improving the positive impact on operations and the economic environment.				
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
The Company is committed to the continuous development of securities business and integrates the concept of corporate sustainability into its operations.			Enterprise operations will face changes in the business environment such as market fluctuations, demographic shifts, and environmental changes. To mitigate and adapt to these factors, the Company is committed to advancing digital finance, developing a diverse range of products, and upgrading various services, and actively adopts responsible investment strategies. This includes assisting the green energy industry in raising capital, and collaborating with medical institutions. While supporting the development of green industries, the Company also aims to build a wealth management system tailored for the aging population, thereby achieving shared prosperity with society and the long-term sustainability of the business.	The Company is committed to strengthening corporate governance and internal systems, while offering competitive compensation and benefits to employees. Together, we strive each year to maximize operational performance, deliver returns to shareholders and investors, and fulfill our corporate social responsibility and long-term sustainability goals.			The Company regularly reports its operational performance to the Board of Directors to facilitate oversight and supervision. Based on these evaluations, management formulates improvement measures as needed.

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Information Security and Customer Privacy	C2.3	Shareholders and Investors, Customers, Investees, Media, Government Agencies, and Regulatory Authorities	KGI Securities places great importance on information security. Following the strategies of "Digital Transformation" and "Customer Focus," the Company leverages innovative digital technology to create convenient and secure high-quality financial digital services. Centered on the customer, from the ease and security of front-end account opening to the back-end information security governance and monitoring, the Company consistently adheres to the highest standards of security protection. Account security is the Company's top commitment to customers, with the highest-level security technologies implemented across all user interfaces.				
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
To comply with relevant regulatory requirements, KGI Securities has established specific guidelines in accordance with the "Mechanism for Establishing Information Security Inspections for Securities Firms," the "Precautions for Reporting and Responding to Information and Communication Security Incidents in the Securities and Futures Market," and the Company's "Information Security Policy." These guidelines ensure that the information unit effectively monitors, reports, handles, reviews, and learns from information and communication security incidents before, during, and after their occurrence. The objective is to enable the prompt implementation of necessary response measures when such incidents occur, to take corrective actions afterward, and to restore operations in the shortest possible time, thereby minimizing potential damages caused by information and communication security incidents. The Company has also implemented an information security management system and has maintained ISO 27001 certification for over five years. It commissions professional third-party consulting firms to conduct information security assessments, regularly performs high-standard information security health checks, and has jointly established a cross-business unit information security team with its financial holding parent company. This team shares and collaborates on intelligence collection at the financial holding level, provides early warnings, maximizes the synergy of joint information security defense, and embodies the corporate value of "collaborative cooperation."			<div>1. The Company has established an internal management policy titled "Information Security Policy" and, together with its domestic subsidiaries, maintains ISO 27001 certification. The scope of certification covers the management of information system design, development, operation, and maintenance; network management; data centers (including the proprietary computer room of KGI Securities headquarters and outsourced IDC facilities); and related support information processing activities.</div> <div>2. The Company established the Information Security Department in 2023, which is responsible for the overall management of organizational information security protection, formulating information security policies and regulations, conducting annual information security projects, and implementing information security technical countermeasures and controls. The department also handles information security education and promotion, establishes information security monitoring, analyzes information security incidents, and manages reporting and investigation. The department also actively implemented the ISO 22301:2019 Business Continuity Management System, obtaining certification in 2023.</div> <div>3. Continuously enforce personal data protection mechanisms and maintains its certification under BS 10012:2017 Personal Information Management System.</div>	<div>1. Continue leveraging AI-driven technology to enhance customer experience.</div> <div>2. Maintain the appointment of a Chief Information Security Officer at the Vice President level, as well as professional directors or consultants.</div> <div>3. Pass the triennial recertification for ISO 27001:2022.</div> <div>4. Conduct company-wide cybersecurity awareness and training sessions.</div> <div>5. Carry out social engineering drills.</div> <div>6. Execute at least one cybersecurity incident drill annually.</div> <div>7. Engage external consultants to plan and evaluate the implementation of a Zero Trust Architecture.</div> <div>8. Continue promoting personal data protection by enhancing employee awareness through education and ongoing process improvements, aiming to maintain certification under the Personal Information Management System standard.</div>	<div>1. Continue leveraging data to drive business growth.</div> <div>2. Maintain the appointment of a Chief Information Security Officer at the Vice President level, as well as professional directors or consultants.</div> <div>3. Maintain the validity of ISO 27001:2022 certification.</div> <div>4. Continue organizing company-wide cybersecurity education and training programs.</div> <div>5. Carry out social engineering drills.</div> <div>6. Execute at least one cybersecurity incident drill annually.</div> <div>7. Implement Zero Trust Architecture technology.</div> <div>8. Continue promoting personal data protection by enhancing employee awareness through education and ongoing process improvements, aiming to maintain certification under the Personal Information Management System standard.</div>	<div>1. Become the industry's "Best-in-Class" and achieve sustainable finance.</div> <div>2. Maintain the appointment of a Chief Information Security Officer at the Vice President level, as well as professional directors or consultants.</div> <div>3. Ensure ongoing ISO 27001:2022 certification compliance and continue conducting company-wide cybersecurity awareness and training programs.</div> <div>5. Carry out social engineering drills.</div> <div>6. Execute at least one cybersecurity incident drill annually.</div> <div>7. Fully implement Zero Trust Architecture and regularly assess its effectiveness.</div> <div>8. Continue promoting personal data protection by enhancing employee awareness through education and ongoing process improvements, aiming to maintain certification under the Personal Information Management System standard.</div>	The "Information Security Management Review Committee" is convened by the President of KGI Securities and the Chief Information Security Officer acts as the deputy convener. This internal task-oriented committee regularly reports the progress of cybersecurity initiatives to relevant departments. It also submits an annual report to the Board of Directors detailing the company's overall information security performance. The committee convenes at least twice a year to oversee the procedural matters of the annual information security management review meetings, the execution of meeting resolutions, and the review and management of the implementation results of the information security management system.

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality	SDGs
Service Quality and Customer Relations	C3.3	Shareholders and Investors, Customers, Investees	KGI Securities has long been committed to upholding the core values of the securities industry while fulfilling its corporate social responsibility. Prioritizing the implementation of financial consumer protection and the effective safeguarding of consumers' best interests, we strictly adhere to the Ten Principles of Treating Customers Fairly. At the same time, we are committed to building higher quality and more comprehensive financial consumer services to enhance customer satisfaction and loyalty, maintaining brand image and market competitiveness while contributing positively to the financial market and economic environment.	

Policies and Commitments	Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
KGI Securities upholds the service philosophy of “fairness and empathy, treating customers as oneself.” Led by the Board of Directors, it actively promotes a variety of initiatives to embed the principles of treating customers fairly into its core corporate culture. It also actively fosters financial-friendly services and realizes the sustainable value of ethical corporate management, allowing customers to feel that “investment should be something reassuring, safe, and smooth.”	KGI Securities is committed to building and continually enhancing a range of communication and engagement platforms tailored to different types of clients. These include, but are not limited to, explanations of important client rights and interests, customer service and complaint channels, anti-fraud advocacy and protection, significant optimization actions, and information on domestic and international stock market holidays. Concurrently, the Company is committed to implementing financial consumer protection, fulfilling corporate social responsibility, and strictly adhering to the principle of treating customers fairly. It ensures that all company products and services align with and uphold the principle of fair treatment. Additionally, in the fourth quarter of 2023, KGI Securities implemented the ISO 10002:2018 complaint quality management system.	<b>Customer Service</b> <ul style="list-style-type: none"><li>• Maintain the validity of ISO 10002 certification.</li><li>• NPS score exceeding 78.</li><li>• First contact resolution rate for customer service center ≥ 98%.</li><li>• Hold monthly customer complaint review meetings.</li><li>• Conduct irregular educational training sessions to enhance employees' professional knowledge and strengthen their ability to respond to customer inquiries.</li></ul> <b>Inclusive Finance</b> <ul style="list-style-type: none"><li>• Increase the number of regular investment (dollar-cost averaging) accounts to 85,000.</li><li>• Completed the second phase of the “Mobile e-Strategy” project, which involves the development of real-time stock quotes and trading services for U.S. stocks.</li></ul>	<b>Customer Service</b> <ul style="list-style-type: none"><li>• Maintain the validity of ISO 10002 certification.</li><li>• NPS score exceeding 80</li><li>• First contact resolution rate for customer service center ≥ 98.5%.</li><li>• Hold monthly customer complaint review meetings.</li><li>• Conduct irregular educational training sessions to enhance employees' professional knowledge and strengthen their ability to respond to customer inquiries.</li></ul> <b>Inclusive Finance</b> Increase the number of regular investment (dollar-cost averaging) accounts to 100,000.	<b>Customer Service</b> <ul style="list-style-type: none"><li>• Maintain the validity of ISO 10002 certification.</li><li>• NPS score exceeding 82</li><li>• First contact resolution rate for customer service center ≥ 99%.</li><li>• Hold monthly customer complaint review meetings.</li><li>• Conduct irregular educational training sessions to enhance employees' professional knowledge and strengthen their ability to respond to customer inquiries.</li></ul> <b>Inclusive Finance</b> Increase the number of regular investment (dollar-cost averaging) accounts to 120,000.	To ensure that the principle of treating customers fairly become a shared value system and code of conduct throughout KGI Securities, the company has established a “Committee on Treating Customers Fairly.” This committee is responsible for planning and overseeing the implementation of related initiatives. Chaired by the President, the committee regularly reviews execution outcomes and reports them to the Board of Directors.

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality	SDGs
Corporate Governance and Ethical Management	C2.1	All Stakeholders	According to the “Employee Code of Conduct” of KGI Securities, all employees are required to comply with all relevant laws and regulations stipulated by the competent authorities for financial practitioners in the execution of their duties, as well as adhere to the company's internal policies and control procedures. The Chairman, Vice Chairman, President, department heads, employees at or above a certain rank and their secretaries or administrative assistants, as well as senior managers at or above the level of Senior Assistant Manager in units such as Human Resources, Financial Management, Board Secretariat, and Internal Audit, have all signed a commitment letter to strictly comply with the corporate governance system. This has a positive impact on the Company's business operations and management.	 




Policies and Commitments	Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
The Company places great importance on corporate governance and ethical business practices, and has established internal regulations including the “Code of Ethical Conduct,” “Corporate Governance Best Practice Principles,” “Standards for Concurrent Positions of Responsible Persons and Business Personnel,” “Guidelines on Dual Roles and Responsibilities for Responsible Persons and Sales Staff,” and “Employee Code of Conduct.” Additionally, annual educational and promotional activities related to corporate governance and ethical business practices are organized to deepen all employees' understanding of these critical topics. In the second quarter of 2023, the Company, through the Board of Directors, approved the “Ethical Corporate Management Best Practice Principles,” the “Operating Procedures and Behavioral Guidelines for Business Integrity,” and the “Organizational Regulations of the Ethical Corporate Management Committee” to complete the framework of the Company's ethical corporate management standards.	The Chairman, Vice Chairman, President, department heads, employees at or above a certain rank and their secretaries or administrative assistants, as well as senior managers at or above the level of Senior Assistant Manager in units such as Human Resources, Financial Management, Board Secretariat, and Internal Audit, have all signed a commitment letter to strictly comply with the corporate governance system. This has a positive impact on the Company's business operations and management.	<ol style="list-style-type: none"><li>1. Continue to strengthen corporate governance and ESG-related competencies, enhance information transparency, and protect and respect the rights of shareholders and stakeholders.</li><li>2. Continue the implementation of the Company's ethical corporate management-related operations (including, but not limited to, ongoing ethical corporate management education and promotion, ethical corporate management risk assessment operations, and the whistleblowing system).</li></ol>	<ol style="list-style-type: none"><li>1. Establish a sound governance system for the Board of Directors and various functional committees, diligently fulfill the duties of management, promote the practice of sustainable development, and continuously review the effectiveness of implementation and make ongoing improvements to ensure the realization of sustainable development policies.</li><li>2. Continue the implementation of the Company's ethical corporate management-related operations (including, but not limited to, ongoing ethical corporate management education and promotion, ethical corporate management risk assessment operations, and the whistleblowing system).</li></ol>	<ol style="list-style-type: none"><li>1. Through appropriate communication methods, understand the reasonable expectations and needs of stakeholders, and properly respond to the important sustainable development issues they are concerned about.</li><li>2. Continue the implementation of the Company's ethical corporate management-related operations (including, but not limited to, ongoing ethical corporate management education and promotion, ethical corporate management risk assessment operations, and the whistleblowing system).</li></ol>	To enhance corporate governance effectiveness, KGI Securities is committed to operational transparency, long-term strategic development, and sustainable management. The Company firmly believes that a sound and efficient Board of Directors is the cornerstone of robust corporate governance. Under this principle, the Company's Board of Directors has established the “Audit Committee,” “Remuneration Committee,” “Risk Management Committee,” “Sustainability Committee,” and “Ethical Corporate Management Committee,” with the aim of fully leveraging the Board of Directors' professional and independent supervisory functions to implement the spirit of corporate governance.







Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality	SDGs
Talent Retention and Development	C4.2	Employees	In order to strengthen human capital and implement talent development, KGI Securities aims to achieve corporate operating performance and sustainable development goals. In addition to complying with relevant regulations to provide necessary education, training, and professional competencies for personnel, the Company further expands its participation in ESG and cultivates sustainable development financial talents. By aligning talent development with national objectives and the evolving sustainability goals of the financial industry, the Company aims to give back to society and generate positive, long-term impacts that support sustainable business operations.	<div><div>4 QUALITY EDUCATION</div><div>5 GENDER EQUALITY</div><div>10 REDUCED INEQUALITIES</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>

Policies and Commitments	Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
In accordance with relevant laws and regulations as well as KGI Securities' "Employee Training Guidelines," various training programs are conducted. Additionally, topics related to sustainable development and ESG are integrated into the existing competency enhancement training sessions.	KGI Securities will continue to implement various educational training and competency development programs. In response to the sustainable development trends in the financial industry, the annual training plan will incorporate diverse competency training content, including ESG topics. This aims to consolidate the organization's consensus and understanding of sustainable development at all levels, facilitating the promotion and achievement of related projects while minimizing negative impacts caused by unclear perceptions.	<div>1. Attracting Diverse Talent: Expand diverse recruitment channels, cultivate cross-disciplinary financial professionals, and recruit young talent through industry-academia cooperation, summer internships, and management trainee programs.</div> <div>2. Enhancing New Employee Experience: Optimize the onboarding journey for new hires.</div> <div>3. Cultivating Successors and Potential Talent: Build a talent pipeline for successors and high-potential employees.</div> <div>4. Improve Key Employee Skills: Achieve an average of more than 45 training hours per employee.</div> <div>5. Emphasize Diversity, Equity, and Inclusion: Optimize diversity and inclusion measures and include non-employee personnel (dispatched workers) within the scope of application.</div> <div>6. Enhance Human Rights Communication and Mechanisms: Arrange human rights-related courses with a coverage rate of over 90%, and extend applicability to non-employees (dispatched personnel).</div>	<div>1. Attract Diverse Talent: Actively recruit fresh graduates from diverse backgrounds and increase the number of hires year over year.</div> <div>2. Enhance New Employee Experience: Continuously improve new hire onboarding satisfaction scores annually.</div> <div>3. Develop Successors and Potential Talent: Achieve a retention rate of over 80% for key talent.</div> <div>4. Improve Key Employee Skills: Achieve an average of more than 50 training hours per employee.</div> <div>5. Emphasize Diversity, Equity, and Inclusion: Optimize measures for diversity and inclusion, and regularly promoting diversity and inclusion.</div> <div>6. Enhance Human Rights Communication and Mechanisms: Enhance human rights promotion measures and regularly promote human rights awareness.</div>	<div>1. Attract Diverse Talent: Actively recruit fresh graduates from diverse backgrounds and increase the number of hires year over year.</div> <div>2. Enhance New Employee Experience: Continuously improve new hire onboarding satisfaction scores annually.</div> <div>3. Develop Successors and Potential Talent: Achieve a retention rate of over 80% for key talent.</div> <div>4. Improve Key Employee Skills: Achieve an average of more than 50 training hours per employee.</div> <div>5. Emphasize Diversity, Equity, and Inclusion: Optimize measures for diversity and inclusion, and regularly promoting diversity and inclusion.</div> <div>6. Enhance Human Rights Communication and Mechanisms: Enhance human rights promotion measures.</div>	The Employee Well-being WG is responsible for promoting the Company's sustainable development code and employee rights strategy, complying with relevant labor laws, implementing employee training and care, emphasizing human rights and occupational safety and health, and providing corporate systems suitable for employees' career development. The Sustainability Committee regularly reports on the effectiveness of talent development, diversity, and inclusion initiatives. It also conducts periodic Organization Assessment Questionnaires (OAQ) and annual employee turnover rate analyses to gather internal feedback. Based on these findings, the Company formulates and implements improvement measures.

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Workplace Health and Safety	C4.3	Employees	KGI Securities regards its employees as valuable assets and is committed to establishing comprehensive occupational safety and health management policies. These policies aim to ensure a safe, healthy, and friendly working environment where employees can carry out their responsibilities without concern. In doing so, the company enhances work efficiency and positively contributes to the protection of employee human rights.				<div><div>3GOOD HEALTH AND WELL-BEING</div><div>5GENDER EQUALITY</div></div>
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
KGI Securities upholds the principles of “Professionalism, Integrity, and Honesty.” The management team continuously pursues “Safety, Health, and Sustainable Development” as its operational goals. Accordingly, the “Occupational Safety and Health Management Guidelines” have been established to ensure the effective and proper operation of the Company’s occupational safety and health system, striving to provide employees with the highest quality working environment.			KGI Securities established the Occupational Safety and Health Committee in 2023. The committee is responsible for overseeing matters related to occupational safety and health. Moving forward, the Company will continue to ensure the effective operation of the ISO 45001 Occupational Safety and Health Management System to provide employees with a safe and healthy working environment. Additionally, the Company will persist in implementing the “Maternal Employee Health Protection Program,” the “Ergonomic Hazard Prevention Program,” and the “Prevention Program for Illness Induced by Abnormal Workloads.” At the same time, visually impaired massage services will be employed to promote the physical and mental well-being of employees, while also fulfilling corporate social responsibility.	<div>1. Maintain the validity of external ISO 45001 certification.</div> <div>2. Continuously manage occupational health and safety risks.</div> <div>3. Achieve 95% coverage in managing employees identified as high health risk.</div> <div>4. Reduce employee health risk rates across all risk categories by 5% annually.</div>	<div>1. Maintain the validity of external ISO 45001 certification.</div> <div>2. Continuously manage occupational health and safety risks.</div> <div>3. Achieve 98% coverage in managing employees identified as high health risk.</div> <div>4. Reduce employee health risk rates across all risk categories by 10% annually.</div>	<div>1. Maintain the validity of external ISO 45001 certification.</div> <div>2. Continuously manage occupational health and safety risks.</div> <div>3. Achieve 100% coverage in managing employees identified as high health risk.</div> <div>4. Reduce employee health risk rates across all risk categories by 15% annually.</div>	The Company established the Occupational Safety and Health Committee in 2023 and regularly holds Occupational Safety and Health meetings every three months. During these meetings, the Company’s occupational safety and health system is evaluated and improved, occupational safety and health issues are discussed, and the meeting results are reported to the President. Additionally, periodic audits and reviews of the external ISO 45001 Occupational Health and Safety Management System are conducted, along with unscheduled inspections of the occupational health and safety system carried out by the Labor Inspection Office of the respective jurisdiction, to ensure the proper and continuous operation of the occupational health and safety system.
Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Sustainable Finance	C3.1	Shareholders and Investors, Customers, Investees	KGI Securities aligns with the sustainable development strategy of its financial holding parent company and is committed to sustainable operations and actively promotes green finance. This includes assisting enterprises in evaluating and pricing ESG bonds, serving as the lead underwriter for multiple sustainability bonds, and guiding and supporting companies applying for listing on the stock exchange to enhance the transparency and completeness of their sustainability information disclosure. The Company provides issuers with fundraising solutions that balance economic and environmental benefits, while offering investors a diverse range of investment options, striving to fulfill its intermediary role as a securities firm.				<div><div>8DECENT WORK AND ECONOMIC GROWTH</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
To fulfill the “Principles for Responsible Investment” and advance the “Sustainable Development Goals,” KGI Securities has adopted the Responsible Investment Policy and Sustainable Finance Commitment, in alignment with the Taiwan Stock Exchange’s “Stewardship Principles for Institutional Investors.” These stipulate that the Company must consider ESG and other sustainability factors during the stages of investment target evaluation, decision-making, and management, fulfilling due diligence governance actions to enhance investment value and promote the sound development of both the Company and the invested companies.			The Company actively promotes the principles of responsible investment and sustainable finance development. Beyond actively participating in shareholder meetings of investee companies, it also provides customers with sustainable transformation consulting assistance. The Company advocates for and promotes the issuance of sustainable development bonds. In its long-term investment positions, it has set targets to reduce the proportion of high-carbon industries and annual reduction targets for the overall investment portfolio’s carbon emissions, as well as targets for the annual growth rate of the proportion of medium- to long-term green bond holdings.	<div>1. Each business unit will implement net-zero carbon emission actions according to the annual targets approved by the Responsible Finance WG of the Board of Directors.</div> <div>2. Continue to actively engage in dialogue and interaction with investee companies to understand their operational strategies, ESG implementation status, and future outlook, aiming for 100% participation rate in the shareholder meetings of investee companies.</div>	<div>1. According to the net-zero carbon emission target, systematically plan, establish, and implement strategies related to the decarbonization of investment and financing portfolios, gradually achieving the investment decarbonization goals.</div> <div>2. Actively pursue underwriting cases for sustainable development bonds to achieve the annual growth rate target of the proportion of green bonds in the long-term investment portfolio, thereby promoting the green finance strategy.</div> <div>3. Continue to actively participate in investee companies’ shareholder meetings, achieving 100% electronic voting rate on proposals, and enhance information transparency for clients involved in equity underwriting.</div>		The Company has established the “Responsible Finance WG” under the Sustainability Committee, with the President serving as the team leader. Key driving units include department heads or their delegates from the Bond Department, Proprietary Trading Department, Capital Markets Department, Derivatives Department, Risk Management Department, Strategic Planning Department, and Investment Products and Services Department. The Responsible Finance WG convenes meetings as needed, regularly reports on the performance of task execution, and adjusts implementation strategies based on performance results.

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Digital Finance and Innovation	C3.2	Shareholders and Investors, Customers, Media	KGI Securities upholds the core philosophy of “fairness and empathy, treating customers as oneself.” Through technological innovation, experience design, and user feedback, the Company effectively addresses customer pain points and continuously improves. By offering digital services committed to “supporting your prosperous life,” we enhance convenience and trust for our customers, thereby boosting customer loyalty and product stickiness, while also generating positive environmental benefits.				  
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
In addition to continuously promoting innovative digital financial services, the Public Relations Department established the “Official Social Media Management Measures” to strengthen the management principles of the Company and domestic subsidiaries’ official social media platforms. It has also revised the “Data and Integrated Marketing Department Official Social Media Operation Guidelines” to enhance user experience and operational efficiency, while simultaneously consolidating the brand image.			The Taiwanese securities industry is currently facing three major environmental trends: 1. Digital services have become mainstream; 2. Communication with investor groups has diversified; 3. The demand for investment information has become more immediate. In response to these trends, KGI Securities’ digital services are customer-centric, advancing with three primary objectives: “digital process optimization,” “differentiation in wealth management services,” and “simple and real-time information delivery.” By leveraging KGI’s high-quality investment platforms and tools, the Company aims to build an integrated investment ecosystem that offers intuitive, trustworthy, and human-centered financial technology, ultimately fostering a user-friendly digital financial environment.	<b>Digital Finance</b> <ul style="list-style-type: none"><li>Optimize or add ≥50 features to the app.</li><li>Receive five digital-related awards from professional institutions.</li></ul>	<b>Digital Finance:</b> Integrate financial technology with the government’s financial white paper guidelines to continuously enhance digital financial services.	<b>Digital Finance:</b> Integrate various financial technology advancements to enhance digital services with personalization and professionalism.	To ensure that the principle of treating customers fairly become a shared value system and code of conduct throughout KGI Securities, the company has established a “Committee on Treating Customers Fairly.” This committee is responsible for planning and overseeing the implementation of related initiatives. Chaired by the President, the committee regularly reviews execution outcomes and reports them to the Board of Directors.

Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Green Operations	C5	Community, Suppliers, Government and Competent Authorities	KGI Securities, in accordance with the sustainable vision and strategy of the KGI Financial Group for a “Low-Carbon Economy,” acknowledges the escalating risks of climate change and actively plans to reduce its own greenhouse gas emissions. The Company seeks to identify industries and enterprises with development potential in the low-carbon economy, jointly promoting low-carbon transformation to generate positive environmental impacts.				   
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
KGI Securities, in accordance with the SBTi’s short-, medium-, and long-term target setting and carbon reduction pathways, commits to reducing its operational carbon emissions by 42% from the baseline year by 2030. In 2024, the “Environmental Policy” was enacted, incorporating aspects of internal operations, climate change, biodiversity, environmental education, and sustainable procurement. The policy commits to establishing an appropriate environmental management system and continuously implementing the goals of environmental sustainability.			In accordance with the Science Based Targets initiative (SBTi), concrete goals and practices have been established for low-carbon operations and environmental protection. The Company actively promotes and co-creates an environment for sustainable living, developing mitigation and adaptation measures related to climate risks and opportunities. It also emphasizes the importance of biodiversity and natural environmental issues, while extending sustainability principles to upstream and downstream business partners to help realize a sustainable supply chain.	<ol style="list-style-type: none"><li>Achieve SBTi-aligned carbon reduction pathway: reduce emissions in 2025 by 15.7% compared to the 2022 baseline year.</li><li>Reach 20% share of renewable energy usage.</li><li>Continue expanding the scope of GHG inventory and certification to achieve 100% coverage.</li><li>Continue promoting environmental sustainability practices.</li><li>Maintain 100% signature rate of the “Supplier Sustainability Commitment” by key suppliers.</li><li>Achieve an ESG due diligence assessment rate of 80% for suppliers.</li></ol>	<ol style="list-style-type: none"><li>Achieve SBTi-aligned carbon reduction pathway: In 2027, reduce emissions by 26.2% compared to the 2022 baseline year.</li><li>Continue promoting environmental sustainability practices.</li><li>Maintain 100% signature rate of the “Supplier Sustainability Commitment” by key suppliers.</li><li>Achieve an ESG due diligence assessment rate of 80% for suppliers.</li></ol>	<ol style="list-style-type: none"><li>Achieve SBTi-aligned carbon reduction pathway: In 2030, reduce emissions by 42% compared to the 2022 baseline year.</li><li>Reach 40% share of renewable energy usage.</li><li>Continue promoting environmental sustainability practices.</li><li>Maintain 100% signature rate of the “Supplier Sustainability Commitment” by key suppliers.</li><li>Achieve an ESG due diligence assessment rate of 80% for suppliers.</li></ol>	The Company conducts regular annual engagements with institutional investors to understand their ESG strategies and provide relevant explanations and suggestions, thereby fulfilling its responsible stewardship policy. Internally, the “Environmental Sustainability WG” under the Sustainability Committee regularly convenes meetings to review the implementation status of its low-carbon transition efforts. The organization also conducts external verifications through the ISO 14064-1 Greenhouse Gas Inventory mechanism, ISO 14001 Environmental Management System, and ISO 50001 Energy Management System. Additionally, it plans energy/resource conservation measures and decarbonization initiatives, regularly assessing the effectiveness of these measures to achieve practical and effective control.



Material Topic	Corresponding Chapter	Stakeholders Affected	Operational Materiality				SDGs
Climate Change Response Strategies	C5.1	Shareholders and Investors, Customers, Investees, Government Agencies, and Regulatory Authorities	Climate change increases corporate risks, necessitating the integration of management strategies to enhance resilience and competitiveness. It is essential to develop mitigation and adaptation measures related to climate risks and to promote low-carbon innovation to meet market demands, thereby ensuring robust operations and sustainable development.				<div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div></div> <div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div> <div><div>13</div><div>CLIMATE ACTION</div></div>
Policies and Commitments			Action Policies	Short-term targets (2025)	Mid-term targets (2026–2027)	Long-term targets (2028–2030)	Evaluation Mechanism
KGI Securities has established the Climate Change Management Guidelines and, in collaboration with an external expert team, follows the four major frameworks of the “Securities Firms Climate Change Information Disclosure Guidelines” based on the TCFD recommendations. The Company has formulated a climate governance structure, climate strategy, risk management, and metrics and targets, and has developed mitigation and adaptation measures related to climate risks.			<div><div>1.</div>with the financial holding company’s net-zero carbon emission target (2045 Portfolio NetZero) and the SBTi investment target setting, the Company promotes actions across four key areas: reducing the financing proportion of high-carbon industries, increasing investments in entities that have set SBTi targets, promoting the issuance and investment of sustainable development bonds, and implementing the TCFD framework with disclosure and reporting.</div> <div><div>2.</div>In accordance with SBTi’s own operational carbon reduction targets, actively implement green operations.</div>	<div><div>1.</div>The investment ratio for high carbon industries is below 24.5%.</div> <div><div>2.</div>By 2025, cease direct project investment and financing of not only thermal coal as well as unconventional oil and gas projects (including new projects or expansion of existing projects) but also projects from companies which are still expanding related businesses (Note 1).</div> <div><div>3.</div>Strengthen internal management procedures and mechanisms related to climate risk: further enhance internal controls on top of existing measures to improve compliance with climate risk requirements.</div> <div><div>4.</div>Conduct climate scenario analysis to identify key climate risks impacting company operations.</div> <div><div>5.</div>Regularly update and publish the TCFD report: update and release the TCFD report annually to ensure transparency and compliance.</div>	<div><div>1.</div>ratio for high carbon industries is below 24.5%.</div> <div><div>2.</div>Continue to suspend direct investment and financing support for projects related to thermal coal and unconventional oil and gas (including new extraction projects and the continued expansion of existing projects), as well as for companies engaged in the ongoing expansion of thermal coal and unconventional oil and gas businesses (Note 1).</div> <div><div>3.</div>Optimize internal management procedures and mechanisms related to climate risk: continuously review regulatory requirements for integrating sustainability information management into internal control systems to enhance compliance with climate risk regulations.</div> <div><div>4.</div>Conduct climate scenario analysis to identify key climate risks impacting company operations.</div> <div><div>5.</div>Study and implement IFRS S2 climate-related disclosure requirements and improve the quality of TCFD reporting.</div>	<div><div>1.</div>ratio for high carbon industries is below 24.5%.</div> <div><div>2.</div>Withdraw the majority of the direct investment and financing (Note 2) in the fuel coal and unconventional oil and gas sectors in industrialized countries such as the European Union and the OECD member countries by 2030.</div> <div><div>3.</div>Enhance internal management procedures and mechanisms related to climate risk: continuously update and improve the management framework to address future climate challenges.</div> <div><div>4.</div>Conduct climate scenario analysis to identify key climate risks impacting company operations.</div> <div><div>5.</div>Implement IFRS S2 climate-related disclosure requirements and improve the quality of TCFD reporting.</div>	The Board of Directors is the highest governing body for climate-related issues, responsible for overseeing and managing climate-related risks and opportunities, and promoting the overall climate strategy and policies of the Group; it is supported by the Sustainability Committee and the Risk Management Committee, which collaborate and jointly supervise all climate change-related work. Additionally, the Company implements climate risk management responsibilities in accordance with the three lines of defense framework.

Note 1: The percentage of revenue from relevant businesses is expected to continue to grow.

Note 2: A business deriving more than 30% of their revenue or generated power from thermal coal and unconventional oil and gas related industries, without putting forth a low-carbon transition project in alignment with the targets under the Paris Agreement.

Regarding the aforementioned material topics, if stakeholders discover that the Company’s operational activities have caused negative impacts or effects, they may report or file complaints at any time through the Company’s whistleblower reporting channels (such as the whistleblower hotline: 02-7702-0906, or the whistleblower email: whistleblower.kgsec@kgi.com). Upon receiving relevant information, the Company will initiate an investigation and actively respond to stakeholders’ demands. The whistleblower system is detailed in Section 2.1.5 of this report.



# 2 Corporate Governance

## 26 2.1 Corporate Governance and Ethical Management

## 38 2.2 Risk Management

## 42 2.3 Information Security

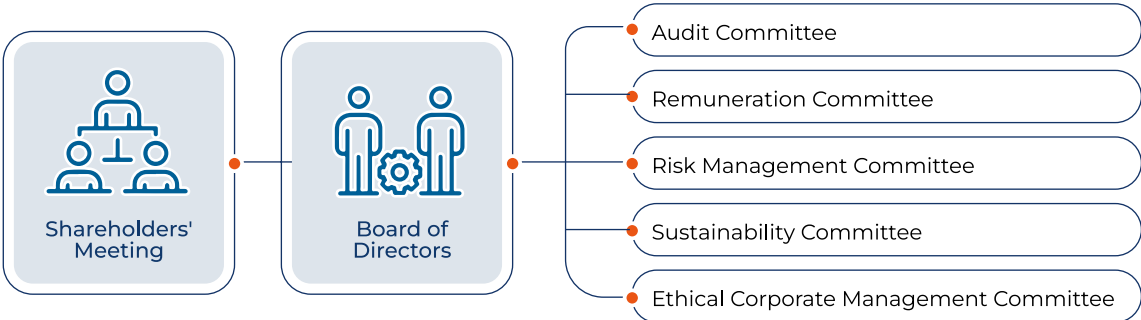
Diligently fulfill the fiduciary duties of responsible management to ensure the effective implementation of sustainable development policies. Continuously enhance the quality of sustainability governance through institutionalized frameworks and mechanisms.

- Safeguard shareholders' rights and interests
- Uphold the rights and interests of stakeholders
- Strengthen the effectiveness and oversight capabilities of the Board of Directors
- Enhance transparency and disclosure of corporate information
- Optimize the functionality and oversight role of the Audit Committee

# 2.1 Corporate Governance and Ethical Management

## 2.1.1 Governance Framework

To enhance corporate governance effectiveness, ensure operational transparency, and focus on long-term strategies for sustainable development, the Company upholds the Board of Directors—the highest governance body—as the cornerstone of corporate governance. Under a sound governance framework, the governing bodies can fully oversee operations, align with development goals, and respond promptly to market and economic changes. To enhance the functionality of the Board of Directors and improve decision-making efficiency, functional committees have been established under the Board. The members and responsibilities of each committee are as follows:



	Audit Committee	Remuneration Committee	Risk	Sustainability Committee	Ethical Corporate Management Committee
Committee Members	<ul style="list-style-type: none"><li>Composed of three independent directors.</li></ul>	<ul style="list-style-type: none"><li>Composed of three independent directors.</li></ul>	<ul style="list-style-type: none"><li>Composed of three directors, including one independent director who serves as the convener.</li></ul>	<ul style="list-style-type: none"><li>Composed of five directors: three directors and two independent directors. The Chairperson is an ex officio member and serves as the committee head and meeting chair.</li></ul>	<ul style="list-style-type: none"><li>Composed of five directors: three directors and two independent directors. The Chairperson is elected as the committee convener.</li></ul>
Responsibilities	<ul style="list-style-type: none"><li>Oversee the fair presentation of financial statements, effectiveness of internal controls, legal compliance, risk management, as well as the appointment (dismissal), independence, and performance of certified public accountants.</li></ul>	<ul style="list-style-type: none"><li>Review and recommend policies, systems, standards, and structures for the performance evaluation and compensation of directors and managers.</li></ul>	<ul style="list-style-type: none"><li>Integrate, plan, supervise, and manage all types of risks of the Company.</li></ul>	<ul style="list-style-type: none"><li>Formulate and implement sustainable development policies.</li><li>Determination of sustainable development indicators and goals, strategic directions, projects, and activity plans, with regular monitoring and review.</li><li>Manage climate change issues and jointly oversee group-wide climate-related risks and opportunities with relevant bodies.</li><li>Periodically review sustainability policies and the sustainability report.</li><li>Oversee sustainability-related disclosures.</li></ul>	<ul style="list-style-type: none"><li>Foster a corporate culture of integrity and strengthen ethical corporate management practices.</li></ul>



## 2.1.2 Board of Directors Structure

### Board of Directors Election Mechanism

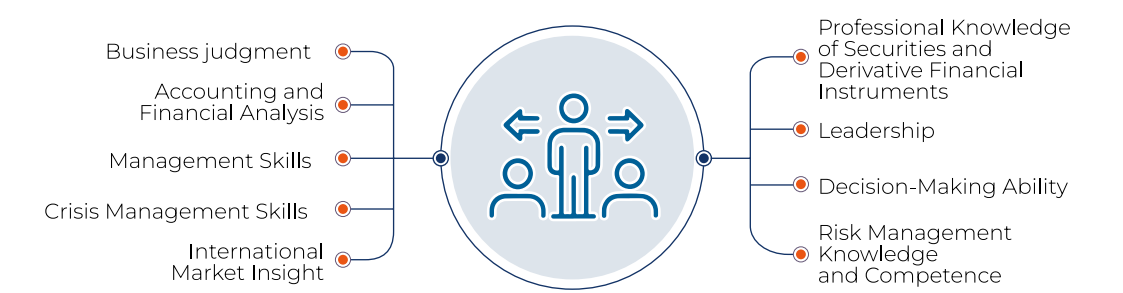
The Board of Directors of the Company is structured by considering the scale of the Company's business development and the shareholding status of major shareholders, with adjustments made as needed for practical governance. As a single-shareholder company, and in accordance with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and the Company's Articles of Incorporation, the board consists of 7 to 11 directors, with at least three independent directors, making up no less than one-fifth of the board. All directors are appointed by KGI Financial, the sole shareholder, from legally competent individuals. In accordance with the Company's "Corporate Governance Best Practice Principles," the Company promotes board diversity and functionality by considering attributes such as gender, age, nationality, and culture, along with professional background, expertise, and industry experience. The current board took office on June 27, 2022, and consists of eight members, including two women and three independent directors (representing 37.50% of the board).

### Board of Directors' Professional Background and Diversity Structure

Regarding the composition of the Board of Directors, the Company advocates and respects a board diversity policy to strengthen governance and ensure a balanced board composition. Apart from the stipulation that directors concurrently serving as company managers should not exceed one-third of the total board seats, the Company formulates appropriate diversity policies based on its own operations, business model, and development needs. Board members are selected for complementary cross-industry expertise, focusing on key attributes such as gender, age, nationality, culture, industry experience (including law, accounting, industry, finance, marketing, or technology), professional skills, and leadership abilities in business judgment, management, decision-making, and crisis management. The composition of the Board of Directors reflects these criteria, with diversity details summarized in the table below:

Title	Name	Gender	Nationality	Date of First Appointment	Age			Industry experience		Professional Knowledge/Skills						Functional Committee					Number of Concurrent Independent Directorships in Other Public Companies
					30 & under	30-50	50 and above	Financial industry	Others	Execution & Strategic Planning	Risk Management	Financial Services	Corporate Governance	Cybersecurity/ Information Technology	International Experience	Audit	Remuneration	Risk Management	Sustainability	Ethical Corporate Management	
Chairman	Daw-Yi Hsu	Male	R.O.C.	2003.06.22			v	v	v	v	v	v	v		v			v	v	v	None
Vice Chairman	Falco Mi	Male	R.O.C.	2000.09.27			v	v	v	v	v	v	v		v			v	v		None
Director	Fu-Chun Chu	Male	R.O.C.	2019.06.14			v	v	v	v		v	v		v					v	3
Director	Jeff Wang	Male	R.O.C.	2019.10.28			v	v	v	v		v	v		v				v		None
Director	Yen-Ling Shen	Female	R.O.C.	2022.06.27		v		v	v	v			v		v					v	None
Independent Director	Li-Jung Wang	Female	R.O.C.	2022.06.27			v	v	v	v		v	v		v	v	v		v		None
Independent Director	Kai-Chieh Chia	Male	R.O.C.	2019.06.14			v	v	v	v	v		v	v	v	v	v	v	v	v	None
Independent Director	Yi Cheng	Male	R.O.C.	2022.06.27			v	v	v	v	v	v	v		v	v	v			v	None

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



To enhance the Board of Directors' understanding of cybersecurity and effectively incorporate cybersecurity risks into business decision-making, the Company has specially appointed independent director Kai-Chieh Chia , who possesses a professional background in cybersecurity, as a member of the Board of Directors to participate in policy decisions. The other members of the Board of Directors have professional backgrounds spanning execution and strategic planning, risk management, finance, corporate governance, and international experience, with extensive backgrounds in banking, securities, insurance, and other industries, supporting effective decision-making and strengthening internal oversight. For detailed information on the educational and professional backgrounds of the board members, please refer to the Company's 2024 Annual Shareholders' Meeting Report. In addition to possessing professional backgrounds and practical experience, the Company also values gender equality. Among the members of this term's Board of Directors, there are a total of two female directors.

Note: Since November 2020, Independent Director Kai-Chieh has served as Director of the Cyber Security Center of Excellence (CS-COE) at Soochow University. Since June 2021, he has also chaired the Cybersecurity Committee of the Global Logistics & Commerce Council of Taiwan. He collaborates with enterprises to advance big data analytics in areas such as digital marketing, smart cities, smart logistics, and predictive maintenance. He applies anomaly detection techniques to identify hacking activities and has been actively involved in cybersecurity research. Additionally, he has been involved in establishing the CS-COE at Soochow University, where a Security Operations Center (SOC) has been set up. The center aims to provide recommendations on information and network security policies and regulations by referencing international developments, introduce advanced cybersecurity concepts and technologies, cultivate cybersecurity talent, and offer cybersecurity consulting services to enterprises. He possesses a professional background in the field of cybersecurity.

## Board of Directors Conflict of Interest Avoidance

According to the Company's "Rules of Procedure for Board Meetings," In the event of an agenda item representing a conflict of interest for a director of for the entity he or she represents, he or she shall disclose the conflict at the current meeting and refrain from discussion or vote on the matter. He or she shall be recused during discussion or vote on the matter and shall not exercise the right to vote on behalf of any other directors of the Board.

Conflicts involving a director's spouse, relatives within the second degree of kinship, or companies under the director's control or control relationship are deemed as the director having a personal conflict of interest. The Company's Chairman, President, or other equivalent senior executives (such as the highest-ranking manager) are not the same individual, nor are they spouses or first-degree relatives. No directors or independent directors are spouses or within second-degree kinship with one another. Therefore, there are no violations of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. Additionally, shareholders, directors, or persons with direct interests may request a director to recuse themselves from a specific agenda item.

The Company has also established the "Regulations for Handling Non-Credit Transactions under Article 45 of the Company Act for Financial Holding Companies" and the "Guidelines for Transactions with Related Parties" to manage transactions with related parties. These regulations require that such transactions not be made under terms more favorable than those offered to unrelated parties and must be approved through specified procedures and authority levels to prevent unjust enrichment of related parties.

## Board of Directors Training and Development

To enhance directors' professional competencies, the Company selects relevant training topics based on external corporate governance trends, business development needs, and board members' functional expertise. Recommended training covers areas such as finance, risk management (including information security), operations, business, accounting, legal compliance, anti-money laundering and counter-terrorism financing, sustainability (ESG), fair treatment principles, internal controls, and financial reporting responsibilities. In alignment with the "Guidelines and Roadmap for Securities Firms Director and Supervisor Continuing Education," the Company registers directors for appropriate courses. These include cybersecurity seminars, such as a session on "The Role and Impact of Emerging Technologies in Financial Innovation," which was attended by all directors. In 2024, the total board training hours reached 145.5, averaging 18.19 hours per director, exceeding the regulatory requirement. For information on continuing education, please refer to the Company's 2024 Annual Shareholders' Meeting Report.

## 2.1.3 Board of Directors Performance Evaluation

In 2024, KGI Securities held a total of 15 Board of Directors meetings, with an average attendance rate of 95.83% among directors. Additionally, each Board of Directors meeting had at least two independent directors in attendance. The main reports, communications, and discussion items for the Board of Directors meetings held in 2024 are as follows:

Operation Unit	Communication Frequency	Key Communication Content of the Board of Directors
Finance	Monthly	Company financial status and operating performance
	Annually	The Company's individual and consolidated financial statements, final accounts approval report, and earnings distribution proposal
	Quarterly	Investment review and evaluation reports
	Irregular	Major investment decisions
Regulatory Compliance, Internal Auditing, and Internal Controls	Annually	Annual compliance assessment and internal audit results conducted by the financial holding parent company
	Semiannually	Compliance business report and anti-money laundering (AML) and counter-terrorism financing (CTF) report
	Annually	Compliance risk management report, comprehensive AML/CTF risk assessment, and AML/CTF risk prevention plan
	Irregular	Significant company regulations revisions or updates  Immediate notification to the board in case of major legal violations or regulatory downgrades, followed by reporting to the Board of Directors and Audit Committee
Risk Management	Quarterly	Risk management reporting
	Quarterly	Risk Management Committee meeting minutes, submitted to the Board at least quarterly for review
Human Resources	Annually	Employee and director compensation distribution
	Irregular	Major personnel changes (including appointments, disciplinary actions, transfers) and external consultant appointments
Information Security	Annually	Information security policy implementation and resource allocation assessment report
	Irregular	Reports on information security policies, budget planning, IT security incidents, and recent measures to strengthen defenses against hacker attacks
Sustainability Committee	Quarterly	Annual sustainability goals, strategic direction, project and activity execution results
	Quarterly	Sustainability Committee meeting minutes, submitted to the Board at least quarterly for review

To enhance corporate governance and board effectiveness, the Company has established the Principles for the Performance Evaluation of the Board of Directors to set performance goals and improve board efficiency. Annual internal evaluations are conducted for the entire Board of Directors, individual directors, and functional committees (Audit Committee and Remuneration Committee). Following the KGI Financial "Five Major Sustainability Strategies:" Corporate Governance, Intelligent Finance, Elite Talent Development, Low-Carbon Economy, and Co-Creation of Society, the "Participation in Sustainable Management (ESG)" is incorporated as a measurement item in the performance evaluation of the Board of Directors' operations. This commitment starts with the directors themselves and is communicated throughout the entire workforce.



Based on practical operations and needs, the Company regularly reviews and establishes its performance evaluation criteria to ensure their suitability. In 2024, revisions were made to the self-assessment indicators for board performance and individual director evaluations as follows:

- (I) In order to enable the Board of Directors' performance self-assessment to promptly incorporate material penalty incidents imposed by the competent authority during the current year into the evaluation, the assessment items have been revised and the scoring criteria clarified to ensure precision.
- (II) Directors are now clearly required to proactively and promptly report relevant regulations and related information to the Company, providing clarity and reference for all board members.
- (III) Annual continuing education hours for directors have been standardized, with key training topics outlined to provide clear guidance and reference for director participation.

The 2024 internal performance evaluation results of the Board of Directors were submitted for approval at the 40th meeting of the 13th Board of Directors of the Company on January 17, 2025. The formal summarized results of the Board of Directors' operations and the self-assessment of the performance of its members are as follows:

1. Board of Directors Performance Self-Assessment:

The Board’s performance evaluation covered 42 parameters ranging over six dimensions. Average scores across categories ranged from 4.91 to 5.0 , indicating that the Board has effectively fulfilled its responsibilities in guiding and supervising the Company's strategy, major business operations, and risk management. Furthermore, the Board has established appropriate internal control systems and actively participates in sustainability (ESG) matters. Overall, the operational status is sound and meets the requirements of corporate governance.

Six dimensions of self-evaluation	Number of evaluation items	Average Score
A. Involvement	10	4.91
B. Decisions-making quality	11	4.93
C. Board structure and composition	8	4.95
D. Election and continuing education	4	4.91
E. Internal control	6	4.98
F. Participation in ESG initiatives	2	5.00

Note: Each indicator is rated on a five-point scale: Excellent (5), Good (4), Satisfactory (3), Fair (2), and Needs Improvement (1). Scores are based on the average rating, and the same standard applies to the following self-assessment of individual board members.

2. Individual Director Self-Assessment:

The evaluation included six categories with a total of 24 indicators. Average scores across categories ranged from 4.81 to 5.00 (out of a maximum of 5), indicating that directors gave positive evaluations regarding the efficiency and effectiveness of their performance in each area.

Six dimensions of self-evaluation	Number of evaluation items	Average Score
A. Control over the Company's goals	3	4.96
B. Recognition of duties as Directors	4	5.00
C. Involvement	8	4.81
D. Internal relations and communication	3	4.96
E. Professional and continuing education	3	5.00
F. Internal control	3	5.00

To implement corporate governance and sustainable operations, the Company, 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, has, upon approval by the Board of Directors, established the Guidelines for the Implementation of an Accountability System for Material Topics. These guidelines stipulate that the Board of Directors shall thoroughly review the appointment of managers, supervise their suitability and maintenance of qualification requirements, and establish an accountability system for material issues such as information security protection, treating customers fairly, and legal compliance, following the "Plan, Do, Check, Act" management cycle. This includes designating a dedicated department responsible for coordinating and liaising with relevant departments, overseeing various business operations, ensuring clear division of responsibilities and hierarchical accountability, mandating senior management to supervise business departments, and regularly evaluating overall execution effectiveness. The results are incorporated into the performance evaluation indicators of relevant business departments and personnel. Furthermore, the Board of Directors' performance evaluation results will be used as a reference for individual directors' remuneration and nomination for reappointment by the KGI Financial. The implementation status and evaluation results will be disclosed not only in this report but also on the Company's website and in the annual report of the shareholders' meeting. In addition to internal performance evaluations, the Company will, in the future, consider external regulations or the overall planning of the financial holding parent company to determine whether to implement external evaluations and their frequency of execution.

## 2.1.4 Remuneration Policy for Governance Units and Senior Management

### Director Remuneration Policy

Company director remuneration includes director compensation, monthly remuneration, and attendance fees. According to the Company's Articles of Incorporation, when the Company is profitable in a given year, no more than 1% of the profits shall be allocated as director remuneration. The allocation ratio and amount shall be submitted to the Remuneration Committee and the Board of Directors for approval, and payment shall be made after reporting to the shareholders' general meeting.

The Company's directors receive a fixed monthly remuneration. Those serving on functional committees under the Board receive additional monthly compensation for their committee roles. Directors attending board or committee meetings in person are also paid per-meeting attendance fees. However, if a director of the Company is appointed by KGI Financial or its subsidiaries' managers or employees, such director shall not be entitled to receive director's remuneration, functional committee remuneration, or attendance fees for the functional committee.

### Senior Management Remuneration Policy

The Company pays the President and managers (hereinafter collectively referred to as "management") remuneration that includes annual salary and variable bonuses. The variable bonuses are contingent upon the Company's operational results and individual performance. Performance evaluation not only relates to financial indicators but also includes important management indicators necessary for the Company's long-term development, such as sustainable management and talent cultivation programs. The performance measurement indicators for managers include:

Type of Indicator	Indicator(s)	Percentage
Financial indicators	Business performance, cost control, and related metrics	60%-80%
Administration Indicators	Corporate sustainability indicators, including legal compliance, information security, risk management, treating customers fairly, talent development, and sustainability issues	15%-35%
Specific Indicators	Special contributions or significant impact events are also considered in performance and compensation evaluations	5%

To implement sustainable governance from the top down, the Company has also incorporated sustainability issues into the "management indicators" category of performance measurement indicators for senior management. This ensures that senior management prioritizes sustainable operations in daily business processes and encourages all employees to work towards the goal of sustainable management. The weighting and evaluation methods for sustainability performance in the areas of economic, environmental, and human rights aspects are detailed in the table below:

Type of Indicator	Sustainability Performance Indicator	Measurement Method	Indicator Weight
Administration Indicators	Economy	Incorporate various sustainability issues into the performance evaluation indicators for senior management	5-10%
	Environmental		
	Human Rights		

The proportion of the President's remuneration for the year 2024 is detailed in the table below:

Remuneration Category	Percentage
Salary	13.64%
Retirement Pension	0.18%
Bonuses and Special Allowances	82.03%
Employee Compensation	4.15%
Total	100%

Bonuses, special payments, and employee compensation are considered variable compensation, accounting for 86.18% of the total compensation of the President.

The remuneration of the Company's management is determined by comprehensively considers job responsibilities, work experience, earnings status, market adjustments, price fluctuations, future risks, and other internal and external factors. It fully reflects work performance and complies with market competitiveness in compensation. The variable bonuses in the Company's management compensation include a deferral mechanism, with actual rewards closely linked to the Company's performance. If, during the deferral period, any major violations of laws or regulations occur, the deferred variable bonuses will be forfeited, ensuring managers comply with legal requirements and uphold corporate governance principles.

## 2.1.5 Ethical Corporate Management and Regulatory Compliance

### Ethical Corporate Management

To establish a culture of ethical corporate management, KGI Securities, in addition to adhering to KGI Financial's "Ethical Corporate Management Best Practice Principles," has also formulated Board of Directors-level "Corporate Governance Best Practice Principles," "Code of Ethical Conduct," "Regulations Governing the Handling of Whistleblowing Cases on Illegal, Unethical, or Dishonest Conduct," and "Standards for Concurrent Positions of Responsible Persons and Business Personnel." Directors, independent directors, and senior management are required to submit declarations of compliance with the ethical corporate management policy. The Company also requires employees to comply with the policy as a condition of employment, thereby facilitating the implementation of an ethical corporate management philosophy characterized by honesty, transparency, responsibility, and sound corporate development. In the second quarter of 2023, the Company, through the Board of Directors, approved the "Ethical Corporate Management Best Practice Principles," the "Operating Procedures and Behavioral Guidelines for Business Integrity," and the "Organizational Regulations of the Ethical Corporate Management Committee" to complete the framework of the Company's ethical corporate management standards. The Ethical Corporate Management Committee held one meeting in 2024.

At the President level, regulations such as the "Employee Code of Conduct" and the "Guidelines on Dual Roles and Responsibilities for Responsible Persons and Sales Staff" have also been established. These clearly stipulate that the Company's directors, managers, and employees to handle company affairs with honesty and ethical conduct, while striving to avoid conflicts of interest.





Regarding the evaluation mechanism for ethical corporate management and its internal implementation, the Company has conducted the 2024 annual risk assessment of dishonest behavior for each unit and branch of KGI Securities in accordance with the regulations and implementation measures of KGI Financial. The assessment items include: bribery and acceptance of bribes, provision of illegal political donations, improper charitable donations or sponsorships, offering or accepting unreasonable gifts/hospitality or other improper benefits, infringement of trade secrets/trademark rights/patent rights/copyrights and other intellectual property rights, disclosure or inquiry of company secrets for insider trading, engaging in unfair competition, and harming the rights and interests of stakeholders. The assessment concluded that the Company's residual risk of unethical behavior is 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 education and training. It is stipulated that all new employees must complete ethical corporate management education and training within three months of their employment, and the Company will track this through an internal system to ensure that all employees complete refresher training annually. In 2024, the course "Ethical Corporate Management Digital Education Promotion" was conducted. The content included the connotation and importance of ethical corporate management, international regulations and trends, domestic legal regulations, the Company's regulations related to ethical corporate management, whistleblowing system regulations, and case explanations. A total of six directors of the Company, senior management (including the Chairman, Vice Chairman, and President), and all employees totaling 3,185 people completed this training, achieving a 100% participation rate.

In 2024, the Company was not involved in any cases related to fraud, market manipulation, insider trading, corruption, or violations of the Fair Trade Act. Additionally, no employees were disciplined for breaches of business integrity. Additionally, the company completed 100% verification and assessment of 96 suppliers (including seven new and existing key suppliers), confirming that none had their business relationships terminated due to violations of ethical management.

Other Business Commitments or Policies

In addition to the 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 the Company's efforts to advance sustainable development and fulfill corporate social responsibility.

Commitment Title	Public Disclosure	Approval Level	Applicable Economic Activities and Business Relationships	Communication Channels for Commitments	Responsible Unit and Its Functions	Whistleblowing and Feedback Mechanism	Remedial Measures for Adverse Impacts
 Principles for Treating Customers Fairly	The Company's official website Treating Customers Fairly section	The Board of Directors of the Company	The Company has established 10 principles for fair customer treatment, including operating with integrity, ensuring truthful advertising and solicitation, respecting diverse financial service consumers, providing suitable products, and fulfilling disclosure and risk communication obligations. A Treating Customers Fairly Committee has been established, with the Board of Directors as the highest supervisory authority and the President as the convener. The principles for fair customer treatment are implemented top-down, with regular reviews of performance and improvements to ensure the fulfillment of fair customer treatment obligations.	The Company publishes all commitment-related documents and relevant regulations on its official website to enhance transparency and allow stakeholders to monitor the implementation of the Company's commitments and the performance of policy execution. Additionally, customer service complaint channels such as telephone, written correspondence, and email will be provided to facilitate the acceptance of suggestions and feedback from all parties. Each case is tracked and documented by designated personnel, with regular updates reported to the Board of Directors.	The Treating Customers Fairly Committee is responsible for the planning and implementation of the Treating Customers Fairly Principles, and regularly reports the execution results to the Board of Directors. The committee is convened by the President, who appoints the Strategic Planning Department and its head as the dedicated unit responsible for the planning, implementation, and supervision of these principles. The Treating Customers Fairly Policy is implemented through a cross-departmental approach—the Audit Unit executes the internal control integrity and internal audit operations of these principles; the Legal Compliance Unit, together with the Human Resources Unit, regularly conducts educational training courses to ensure internal adherence to the Treating Customers Fairly Principles; the Legal Affairs Department is responsible for reviewing the Company's financial product or service contract documents, paying attention to whether contract terms violate the principles of fairness and good faith.	Anyone who discovers that employees of the Company or its subsidiaries have engaged in illegal conduct, a report may be filed based on the Company's "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," or "Employee Code of Conduct." Whistleblowers may submit reports via telephone, fax, written letter, or email. The Company has established the following whistleblowing channels: Complaint Hotline: 02-7702-0906 Fax: 02-7702-0907 Whistleblower Email: whistleblower.kgisec@kgi.com Postal Mailbox: P.O. Box 223, Taipei Beifan Post Office, 10499, Taiwan (Please send by registered mail) If the reported case is verified to be true and deemed significant, the Company will handle it in accordance with laws or relevant company regulations, and may also provide appropriate rewards to the whistleblower. For the complete whistleblower mechanism, please refer to the Whistleblower System section.	The Company strengthens internal promotion of the Treating Customers Fairly Principles and links them to performance evaluations. Employees are encouraged to report any suspected or observed violations of these principles or related regulations to responsible persons, internal audit supervisors, or other appropriate personnel. If the violation is confirmed upon investigation, the Company will take disciplinary action in accordance with its relevant reward and penalty regulations.
 Human Rights Policy	KGI Securities Co. Ltd. Human Rights Policy	The Board of Directors of the Company	The Human Rights Commitment of the Company includes "non-discrimination, non-bullying, and non-harassment; prohibition of forced labor; freedom of association and open labor-management communication; a safe and healthy workplace; work-life balance; and information security and privacy protection." Regular training is conducted to raise employee awareness of human rights. The Company is dedicated to providing a safe and healthy working environment and welfare systems that care for employees' physical and mental well-being. Additionally, a robust and well-structured grievance mechanism is also in place to ensure smooth communication between employees and management and to facilitate the expression of opinions.		The Human Resources Department, Occupational Safety and Health Unit of the Administration Department, and on-site nurses work together to promote employee care and welfare policies, gather employee feedback, and develop comprehensive and diverse career development programs. They are dedicated to creating a safe and comfortable work environment and safeguarding employee rights and interests.		The Company follows the Human Rights Policy established by the parent company. Potential negative human rights impacts on employees are addressed through the Company's occupational safety and health management mechanism, which includes risk identification and corresponding mitigation measures. Regarding personal data protection as a human rights issue, the Company regularly conducts personal data privacy impact analyses and risk assessments, and establishes policies and guidelines related to personal data protection. If any employee violates the personal data protection policy, they will be dealt with in accordance with the Company's reward and punishment regulations. If customer privacy rights are violated, they may contact the Group via email or phone (Email: ir@kgi.com; Phone: (02)2763-8800), or KGI Securities (Email: service1@kgi.com; Phone: (02) 2389-0088 . 0800-085-005), and exercise their rights to inquire, request cessation of collection, and request restriction of processing. The Company has established the "Regulations Governing the Handling of Whistleblowing Cases on Illegal, Unethical, or Dishonest Conduct," which allows any individual to report suspected violations of laws, the "Ethical Corporate Management Best Practice Principles," the "Code of Ethical Conduct," or the "Employee Code of Conduct" by Company personnel. The Compliance Department regularly reports to the Board of Directors and the Audit Committee on the acceptance and investigation of whistleblowing cases. Additionally, the implementation of the whistleblowing system is also one of the audit items for the auditing unit.
 Sustainable Development Best Practice Principles	The Company official website	The Board of Directors of the Company	The Company established the Sustainable Development Code in 2023 and set up the "Sustainability Committee" under the Board of Directors to implement corporate governance, develop a sustainable environment, maintain social welfare, and enhance the disclosure of sustainable development information. It also aims to promote the balance of economic, social, and environmental ecology and to practice corporate social responsibility for sustainable development.		The Sustainability Committee formulates annual implementation plans and execution programs to promote internal corporate governance, external economic and social development, and the balance and sustainable development of the environmental ecology. It also regularly reports the implementation results to the Board of Directors each year and conducts performance reviews and improvement measures.		The Company has added sustainability indicators as performance evaluation criteria for senior management. Internally, it promotes and reinforces the concept of sustainable development and assigns relevant responsibilities to the Sustainability Committee working groups. The working groups regularly report actual performance to the Committee and the Board of Directors. The execution performance will be handled in accordance with the Company's performance evaluation methods and relevant reward and punishment regulations.
 Procedures for Supplier's Sustainability	The Company official website	President	In order to commit to corporate social responsibility, the Company plans to encourage suppliers with business relationships to jointly adhere to sustainability issues, such as labor rights protection, environmental conservation, and ethical business conduct. The Company also requires major suppliers to sign a Letter of Undertaking regarding Sustainability for Suppliers to promote the balance and sustainable development of the economy, society, and environmental ecology.		The Corporate Services Department educates suppliers on sustainable development issues, including the protection of labor rights, environmental conservation, and ethical business practices. Suppliers are also invited to sign and jointly comply with the Procedures for Supplier's Sustainability.		When the Company enters into contracts with suppliers, the suppliers shall adhere to the principles of ethical corporate management and implement corporate social responsibility, conducting transactions with the Company in an open and transparent manner. If a supplier is involved in unethical conduct of a serious nature, or violates its corporate social responsibility commitments (including but not limited to labor rights protection, environmental maintenance, and consumer protection), causing a significant impact on the environment and society, the Company may terminate or rescind the contract in accordance with the relevant contractual provisions.



Regulatory Compliance Organizational Structure

The Compliance Department of the Company is established in accordance with the FSC's "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets." It is subordinate to the President and is responsible for the planning, management, and execution of the compliance system. Additionally, the Board of Directors appoints one senior executive to serve as the Compliance Officer, who oversees all compliance matters. The Compliance Department regularly reports on compliance risk management and business matters to the Board of Directors. It is also responsible for planning, managing, executing, and evaluating the organization's internal compliance system. The department ensures that internal regulations are updated and revised to align with external legal environments. Based on trends in legal updates, it actively arranges and promotes relevant compliance training across internal departments to implement and strengthen the Company's internal compliance awareness. The training covers regulations related to securities, futures, investment trust and consulting laws, anti-money laundering, and personal data protection. Additionally, the Compliance Officer regularly participates in compliance meetings with the compliance officers of the parent company of KGI Financial and other group subsidiaries. These meetings discuss compliance-related or other important issues to achieve transparent communication within the Group, consistency of information, and effective supervision of compliance work.

■ Regulatory Compliance Training Summary

Course Content	Participants	Training Hours
Legal Education and Training for Practitioners	3,176	88 mins.
Ethical Corporate Management Digital Education Promotion (Including Anti-Corruption)	3,185	34 mins.
Legal Compliance Training for Traders	90	0.5
New Sales Personnel Training	117	0.5
Internal Whistleblower System Training	Promoted throughout the entire company via email.	0.5
Personal Data and Privacy Protection Training	3,174	1
Treating Customers Fairly Principles in Financial Services Training	2,706	3
Compliance Liaison Meeting and Annual Training	45	1
Digital Training on Anti-Money Laundering, Combating Terrorist Financing and Proliferation Financing (Including Onboarding Training)	3,235	1
Training for In-Service Personnel on Anti-Money Laundering and Countering the Financing of Terrorism (Including Certification and Annual Refresher Courses)	268	12
Digital Technology, Fraud, and Anti-Money Laundering	62	3
New Methods of Money Laundering and Case Analysis	53	3
Seminar on Amendments to Internal Control Standards for Futures Commission Merchants and Associated Persons, Including Anti-Money Laundering and Counter-Terrorism Financing Guidance	41	3
Seminar on Anti-Money Laundering and Countering the Financing of Terrorism Regulations and Case Studies	14	3
Domestic and Foreign Laws and Regulations Related to Preventing Money Laundering and Combating Terrorism	6	3
Preventing Tax-Related Money Laundering Risks—Eight Major Risk Typologies Identified by the Government	3	3
Securities Firms' Seminar on Legal Compliance in Anti-Money Laundering and Counter-Terrorism Financing	3	3.5
Practical Case Studies on Anti-Money Laundering and Counter-Terrorism Financing	1	2
New Employee BMA Training – Anti-Money Laundering Operating Procedures	211	1
Overview and Operation Guide for the Enhanced Name Screening System	640	1
Explanation of Revised Forms and New System Matching and Inquiry Functions in Response to Designated Warning Accounts	1,077	0.5

Compliance Status

The Company had no incidents of penalties imposed by regulatory authorities in 2023 (including both major and general violations). In 2024, there were two incidents involving penalties imposed by regulatory authorities, with a total fine amounting to NT\$780,000. A summary of these cases is provided in the table below.

Type of Incident	Incident Description	Fine Amount	Corrective Measures
General Sanction	<p>The FSC's Financial Examination Bureau conducted special inspections of the Taipei Station Branch from September 26 to October 5, 2023, and the Gangshan Branch from October 11 to October 18, 2023. Deficiencies were found during the inspections, constituting a violation of Article 2, Paragraph 2 of the Regulations Governing Securities Firms. The Company was issued a correction and fined NT\$300,000.</p> <p>1. The Taipei Station Branch accepted telephone orders from elderly clients to purchase foreign securities below BBB rating, without disclosing the investment risks to the clients at the time of the entrusted purchase, thereby violating Article 23-1 of the Regulations Governing the Custody and Trading of Foreign Securities by Securities Firms, as stipulated by the Taiwan Securities Association.</p> <p>2. The Gangshan Branch conducted a conflict of interest check for internal personnel and clients who engaged in transactions involving the same subject and the same trading direction within 5 minutes. However, there was a failure to include order-taking personnel within the scope of the check, which violates the internal control procedure CA-11210, Entrusted Trading and Transaction Operations (6) regulations.</p>	NT\$300,000	<p>1. The procedures for handling customer orders to purchase foreign securities via telephone have been reinforced. This includes providing clear telephone recording examples for sales staff, explicitly requiring explanation of the bond's credit rating and confirmation that customers understand the credit risk involved. Risk warnings should be issued, and the recordings must be retained. Additionally, efforts have been strengthened to promote that when accepting customer orders to purchase foreign securities with credit ratings below BBB via telephone, the credit rating of the securities must be explained to the customer, and investment risks must be disclosed to ensure the protection of financial consumers.</p> <p>2. The order processing staff at the Gangshan Branch have resigned. The Company has included internal personnel who are authorized to access detailed information on client commission transactions within the scope of its audit.</p>
	<p>On May 2 and 3, 2024, the Taiwan Stock Exchange conducted an inspection of the Miaoli Branch. It was found that Manager Chen O O had engaged in misconduct including safeguarding customers' seals and passbooks, acting as an agent for others in the settlement of securities transactions, and serving as an intermediary for loans between customers. These actions violate securities regulations. The Stock Exchange has requested the Company to rectify these issues, imposed a penalty of NT\$60,000, and suspended the manager from conducting business operations for six months. The FSC ordered the Company to make corrections, imposed a fine of NT\$480,000, and suspended the manager's business operations for two months.</p>	NT\$480,000	<p>1. Conducted company-wide training sessions for all branch managers and sales personnel to reinforce compliance with Article 18 of the Regulations Governing Responsible Persons and Associated Persons of Securities Firms, which outlines prohibited conduct for industry professionals.</p> <p>2. Sent email notifications to clients reminding them of their rights and the prohibited conduct of the Company's personnel to help protect client interests.</p> <p>3. Reiterated that employees must not advance settlement funds or safeguard clients' seals or passbooks under any circumstances.</p> <p>4. Disciplinary action has been taken against the responsible branch manager and regional supervisor involved in the incident.</p>

Note: Apart from general sanction cases, the Company also, in accordance with the Assessment Content and Procedures for Legal Compliance, establishes that significant violations of laws and regulations, if they occur, must be reported to the Board of Directors. The criteria for such determination include:

1. A single violation resulting in an administrative fine of NT\$3 million or more, or a fine reaching at least half of the statutory maximum (excluding cases where the maximum fine does not exceed NT\$1 million).

2. Cases categorized as major penalties as announced on the FSC website.

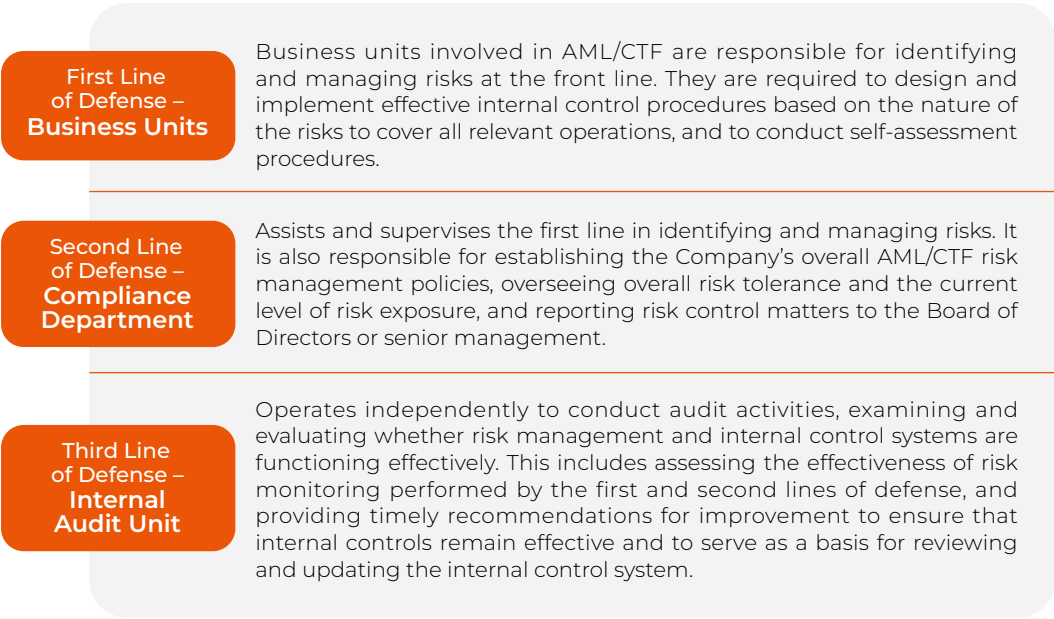
3. Fraud incidents or significant deficiencies in operations due to poor internal controls.

4. Other situations assessed to have a material impact on the Company's reputation, shareholder interests, or stock price, or that may jeopardize normal operations.

In addition, in 2024 the Company was not involved in any violations related to product and service information and labeling, marketing and advertising regulations, fraud, insider trading, antitrust or anti-competitive behavior, monopolistic practices, bribery, or illegal political contributions. The Company was also not involved in any mediation or arbitration cases related to ethical business conduct. The Compliance Department of the Company received reports in 2023 involving two employees in civil litigation cases related to business operations. Both cases were disputes with clients of the brokerage business. One case was concluded in October 2024, and the other case was concluded in March 2025. Aside from these, the Company is not aware of any ongoing investigations, investment-related legal matters, or customer complaints involving its employees and will continue to monitor the situation.

Anti-Money Laundering and Counter-Terrorism Financing

To address anti-money laundering and counter-terrorism financing (AML/CTF), the Company has implemented a three-line defense model for internal controls:



In addition to the basic three-line defense system, the Company also places great importance on the education, training, and professionalism of personnel responsible for AML.

In the first line of defense, business units appoint dedicated supervisors responsible for overseeing the implementation of AML/CTF-related financing measures within their respective units. There are a total of 83 supervisors and 143 deputies. In the second line of defense, the Compliance Department is overseen by a designated senior executive (Vice President) appointed by the Board of Directors and includes nine dedicated staff members. These individuals are required not only to obtain professional qualifications but also to participate annually in at least 12 hours of anti-money laundering and counter-terrorism financing training courses approved by the dedicated supervisor. At least half of the required training hours must be completed through courses organized by law enforcement agencies, institutions recognized by the FSC, the Securities Association, securities and futures-related organizations, the Taiwan Financial Services Roundtable, or the FSC itself.

For directors, independent directors, the President, compliance personnel, internal audit personnel, and business personnel, the Company provides AML/CTF training each year with appropriate content and duration based on the nature of their roles. This is to ensure they understand the AML/CTF responsibilities they undertake and possess the necessary professionalism to perform these duties. In 2024, a total of 13 internal and external training courses on AML/CTF were conducted, with a total participation of 5,614 individuals. In addition, to enhance employees' AML/CTF-related professional knowledge and capabilities, the Company also encourages relevant employees to participate in the Certified Anti-Money Laundering Specialist (CAMS) certification exam organized by the Association of Certified Anti-Money Laundering Specialists (ACAMS). The Company subsidizes the related certification fees. As of the end of 2024, the number of individuals within the organization who have obtained the CAMS certification is 23.

To continually enhance its AML/CTF efforts, the Company engaged KPMG Advisory Services Co., Ltd. in 2024 as a consulting advisor for the "2024 AML/CTF Transaction Monitoring Mechanism Validation Project." The project involved evaluation and testing of the AML/CTF transaction monitoring model across five key areas: (1) reviewing the roles and responsibilities of personnel or units related to the account and transaction monitoring mechanism within internal control processes; (2) verifying the accuracy and completeness of input data and corresponding system fields; (3) assessing detection scenario logic; (4) conducting model validation; and (5) reviewing data output, to confirm the effectiveness, rationality, and proper management of the transaction monitoring mechanism's operation.

In the same year, the "Name Screening System Replacement Project" was also completed. Through system replacement and the procurement of new hardware configurations, the system's matching performance and efficiency were enhanced, reducing staff operation and waiting times. Additionally, multiple functions were optimized to prevent human operational errors and improve the efficiency of case reviews. In addition, several enhancements have been introduced to the large transaction monitoring framework, including monitoring client transactions across different branches, adding auxiliary information to the existing transaction monitoring mechanisms to detect insider trading, and conducting same-address transaction monitoring using standardized addresses. Furthermore, the manual monitoring checklist has been updated to include explanations of fraud cases related to entrusted trading of foreign securities. These measures aim to improve the overall effectiveness of transaction monitoring and streamline operations.

These initiatives demonstrate the Company's commitment to AML and CTF efforts. Looking ahead, the Company will continue to strengthen and develop relevant measures to further enhance its capabilities.

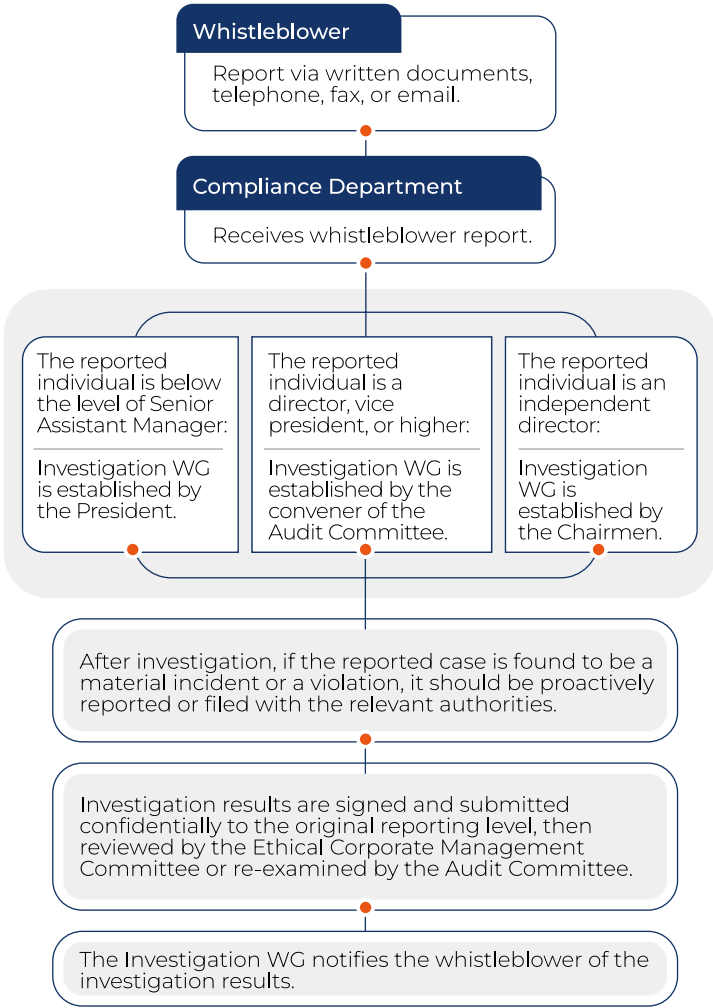


Whistleblower System

In accordance with the Company’s Regulations Governing the Handling of Whistleblowing Cases on Illegal, Unethical, or Dishonest Conduct, any individual who becomes aware of conduct by employees of the Company or its subsidiaries that violates applicable laws or the Company’s Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, or Employee Code of Conduct may file a report through written correspondence, email, telephone, or fax. The Compliance Department is the unit responsible for handling whistleblowing cases. The Company ensures strict confidentiality of the whistleblower’s identity and the contents of the report, and actively investigates and handles all reported cases.

Internal Guidelines for Reporting	Regulations Governing the Handling of Whistleblowing Cases on Illegal, Unethical, or Dishonest Conduct (hereinafter referred to as the "Whistleblowing Standards")
Report Processing Unit	The Compliance Dept. of KGI Securities
Investigation Unit for Reporting Cases	<p>According to Article 6 of the Whistleblowing Standards:</p> <ol style="list-style-type: none"><li>If the reported individual is an employee below the rank of Senior Assistant Vice President, the Head of the Compliance Department shall immediately report the matter to the President, who will direct the formation of an investigation team.</li><li>If the reported individual is a director or a member of senior management at or above the level of Vice President, the Head of the Compliance Department shall report the matter to the convener of the Audit Committee, who will direct the formation of an investigation team.</li><li>If the reported individual is an independent director, the head of the Compliance Dept. should immediately report to the Chairman, and the Chairman will direct and organize an investigation team.</li></ol> <p>The investigation team shall submit the investigation report within six months from the day following its official establishment. However, if the case is complex or due to other factors, the deadline may be extended once for a period of up to three months. After the investigation results are confidentially signed and submitted to the original reporting level, cases of the first type mentioned above should be submitted to the most recent Ethical Corporate Management Committee for review before being reported to the Audit Committee. Cases of the second and third types should be submitted to the most recent Audit Committee for re-examination.</p>
Whistleblower Channels	<ol style="list-style-type: none"><li>Report Postal Mailbox: P.O. Box No. 223, Bei An Post Office, Taipei City, 10499</li><li>Complaint Hotline: 02-7702-0906</li><li>Complaint Fax: 02-7702-0907</li><li>Complaint Email Inbox: Whistleblower.kgisec@kgi.com The above-mentioned whistleblower hotlines are all announced on the official website at: <a href="https://www.kgi.com.tw/zh-tw/code-of-conduct">https://www.kgi.com.tw/zh-tw/code-of-conduct</a></li><li>In addition, the relevant instructions and channels of the whistleblowing system are provided in the Compliance Dept. of the Company's intranet.</li></ol>
Whistleblower Channel Promotion	<ol style="list-style-type: none"><li>Conduct whistleblower policy awareness campaigns twice a year.</li><li>Whistleblower policy education is provided to all employees each year as part of the annual "Legal Education and Training Course for Practitioners."</li><li>Awareness of the whistleblower policy is also incorporated into training for all newly hired sales representatives in the brokerage unit.</li></ol>
Whistleblower Protection and Incentives	<p>Article 4, Paragraph 2 of the "Whistleblowing Standards" explicitly states that the Company shall keep the identity of the whistleblower confidential. Relevant information must be carefully preserved, encrypted, and access rights restricted. Paragraph 3 of the same article also stipulates that if 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 salary, impair the rights and interests to which the whistleblower is entitled by law, contract, or custom, or impose any other adverse actions due to the reported case.</p> <p>According to Article 8 of the "Whistleblowing Standards", if the reported case is verified to be true and the circumstances are serious, in addition to handling the case according to laws or relevant company regulations, the Company may also provide appropriate rewards to the whistleblower.</p>
Substantiated Whistleblower Cases	In 2024, the Company had no substantiated whistleblower cases.

Investigation and Handling Procedure for Whistleblower Cases

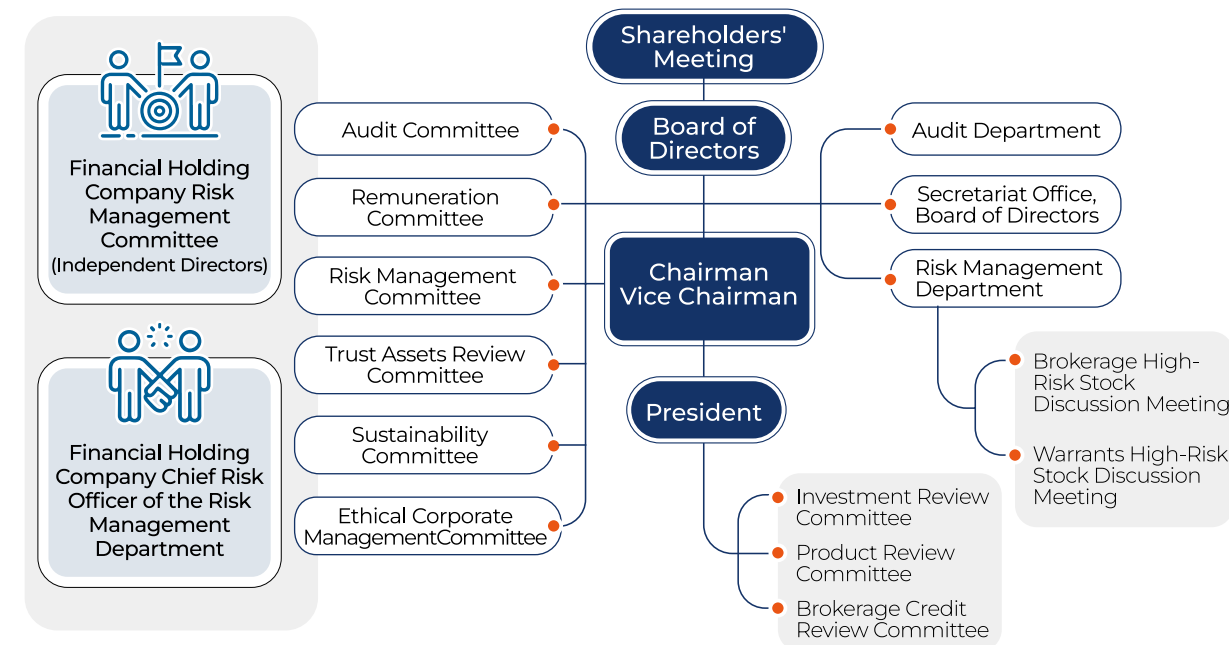




## 2.2 Risk Management

Amid an increasingly volatile market environment, the scope and complexity of risk management continue to expand. To effectively manage risks related to the Company's operations and enhance its competitive advantage, KGI Securities has established the Risk Management Policy and other relevant guidelines in accordance with regulatory requirements, the risk management policy of KGI Financial, and the Company's business development strategy. These serve as the foundation for risk management compliance. KGI Securities continues to optimize its risk management operations, covering market risk, credit risk, liquidity risk, operational risk, legal risk, and capital adequacy. In recent years, risks related to climate change have emerged, including physical risks such as immediate extreme weather events (e.g., typhoons, extreme rainfall) or long-term climate pattern changes (e.g., persistent high temperatures, sea level rise), as well as transition risks arising from policy, legal, technological, or market changes associated with the shift to a low-carbon economy. Such risks may have significant impacts on the Company's operations. KGI Securities addresses them through ongoing risk identification, assessment, monitoring, and control to maintain stable operations.

### 2.2.1 Risk Management Organizational Framework and Responsibilities



### Governance Framework for Risk Management

The Board of Directors of KGI Securities is the highest governing body for risk management, responsible for ensuring the effective implementation of risk management, approving risk management policies, and supervising the execution of the overall risk management system, holding ultimate responsibility for the Company's risk management. The Risk Management Committee is a functional committee under the Board of Directors responsible for implementing the risk management decisions approved by the Board. Its duties include reviewing the annual risk appetite and limits of the Company, various business units, and "business projects;" evaluating major risk incidents and corresponding response measures; and assessing risk information submitted by relevant risk management units.

To safeguard the rights and interests of shareholders and investors, the Company has also established an Investment Review Committee and a Product Review Committee. These bodies are respectively responsible for reviewing underwriting and advisory sales cases involving the Company's securities, general long-term investment projects, and establishing a product evaluation and review system to assess and approve products for listing.

The Risk Management Department of the Company reports directly to the Board of Directors and is responsible for executing daily risk measurement, monitoring, and assessment operations. It regularly produces risk management reports and submits them to the management in accordance with regulatory procedures. The department is also responsible for reviewing the valuation models used by business units for financial products and for developing or assisting in the development and maintenance of risk management information systems.



## 2.2.2 Embedding a Corporate Risk Culture

### Key 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, to serve as the basis for compliance with risk management. The definitions of each risk category are as follows:

#### I. Market Risk

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

#### II. Credit Risk

Refers to the risk of loss arising from borrowers, debtors, counterparties, and brokerage clients failing to fulfill their responsibilities (obligations) or from changes in the credit quality of held financial assets.

#### III. Liquidity Risk

Divided into market liquidity risk and funding liquidity risk: Market liquidity risk refers to the risk of loss arising from the inability to offset positions at current market prices. Liquidity risk refers to the risk of a funding shortfall caused by the failure or improper management of cash flow.

#### IV. Operational Risk

Refers to the risk of loss caused by improper or erroneous internal operations, personnel, and systems, or due to external events. This includes items such as transaction process authorization, acquisition of transaction support information, counterparty experience considerations, retention of transaction records, valuation, price information verification, preparation of profit and loss statements, transaction processing and confirmation, settlement and delivery, account verification, asset control, information security, information maintenance, division of personnel responsibilities, related party transactions, and internal control systems.

#### V. Legal Risk

Refers to potential losses arising from uncertainties in legal procedures or the application of laws, as well as defects in contracts or other legal documents.

#### VI. Climate Risk

Refers to transition risks related to low-carbon transformation caused by climate change, which may impact the Company's finances, strategy, operations, products, and reputation, as well as physical risks resulting from extreme weather that affect the Company's finances and operations.

For the management of business limits and risk-related policies across departments, the Risk Management Department both participates in the formulation and revision of relevant guidelines and collaborates with other departments to implement monitoring processes. In addition, the department manages risks through internally developed or externally acquired risk management information systems, aiming to enhance effectiveness. Regular and ad hoc risk reports are provided to senior management to support informed decision-making.

In response to global emerging risks, the Company, in coordination with the parent company KGI Financial's Risk Management Policy, is gradually establishing identification and assessment mechanisms for important emerging risk items (such as regional political and economic risks, cyber security risks, etc.). Based on these mechanisms, strategies and management measures are formulated to address related risks, ensuring the Company's stable operation and development.

■ Risk Management and Reporting Mechanisms

Risk Type	Risk Measurement and Management Mechanism	Contents and Frequency of Risk Reports
Market Risk	<p>The Company has established a risk management system, market risk management regulations, and various product operation guidelines. Based on its business strategies and risk appetite, the Company allocates capital to market risks and performs daily monitoring to keep risks within acceptable levels. The Company adopts the MSCI Risk Manager market risk management system as the primary tool for quantitative management, providing comprehensive daily analyses and integrated computational results across various dimensions. This includes equity, interest rate, commodity, and exchange rate risks, as well as the calibration and application of models for various derivative products, ensuring alignment with the annual risk appetite. To verify the effectiveness of the value-at-risk model, the Risk Management Department regularly conducts backtesting.</p>	<p>The Risk Management Department produces daily risk management reports for the entire company, business departments, sub-business units, and traders, covering sensitivity, value at risk, and trading profit and loss. These reports are used to control risk in accordance with the market risk limits approved annually. The department discloses and provides relevant risk management information to the Company's management and business units.</p>
Credit Risk	<p>The Company manages credit risk based on the credit ratings of issuers and counterparties, transaction characteristics, or product types, while comprehensively considering factors such as the Company's net worth or concentration risk to establish appropriate credit risk limits. In addition to regularly reviewing the credit status of counterparties, positions, and collateral, the usage of various credit limits is summarized and reported to relevant units and management.</p> <p>When the Company assesses the credit risk of counterparties or transaction targets, it may adopt external credit ratings and map them according to the rating grade comparison table. The external credit ratings are sourced from rating agencies such as Taiwan Economic Journal's TCRI, Taiwan Ratings Corp., S&amp;P, Moody's, and Fitch. The Company uses its rating comparison table to map these ratings to levels 1 through 9. In addition to timely updating the credit rating data of counterparties or transaction targets from external rating agencies, the Company may also appropriately adjust the credit risk limits when there are changes in credit ratings.</p>	<p>The Risk Management Department monitors daily changes in pre-settlement credit risk exposure related to the company's over-the-counter derivatives counterparties, disclosing and providing relevant credit risk information to senior management and business units for reference. Issuers and counterparties associated with the company's positions are subject to tiered credit risk exposure management. The department also manages credit risk limits and handles responses to credit risk events.</p> <p>The Risk Management Department annually applies to the Board of Directors for credit risk capital. This includes setting expected credit loss limits, pre-settlement credit limits for counterparties, and various concentration risk limits. Through daily monitoring of credit risk exposure and changes in the credit risk of counterparties or transaction targets, the department ensures effective usage control of all credit risk limits and strengthens overall credit risk management.</p>
Liquidity Risk	<p>The Company classifies liquidity risk into market liquidity risk and funding liquidity risk. Market liquidity risk is measured based on the market trading volume of the positions held by the Company, serving as the basis for information disclosure. Liquidity risk management has established an independent fund allocation unit, which comprehensively considers the net cash flow and timing of each department's funding needs to conduct fund management, effectively controlling the Company's liquidity risk.</p>	<p>Information disclosure on market liquidity risk is regularly submitted to the Risk Management Committee through reports; additionally, liquidity risk control is conducted by the fund allocation unit, which regularly reviews the Company's relevant financial ratios, assesses the fund status, and sets appropriate recommended fund safety stock levels each quarter. These recommendations are submitted for approval by the highest supervisor of the fund allocation unit, and the fund safety stock standards are reviewed monthly.</p>
Operational Risk	<p>The Company's operational risk management is based on the risk characteristics of each operation. Control points and inspection points are set within various internal control systems, and regular self-assessments of the internal control mechanisms are conducted to ensure the completeness and effectiveness of each operational procedure and control focus.</p> <p>All units of the Company execute operational risk management according to their respective business responsibilities. The scope and content covered include authorization, processes, and operations related to operational risk management. All planning adheres to the principles of separation between front and back office operations, as well as independence in duties and authority.</p>	<p>The Company has established the Abnormal Incident and Major Contingency Notification and Handling Procedures. In the event of any irregularities, the Risk Management Department and the Internal Audit Unit are notified. The Risk Management Department handles the inspection and control of the causes of operational risks and the corresponding improvements. Depending on the nature and necessity of the irregularity, the Audit Unit may report the incident to the Chairman and the Internal Audit Department of the Financial Holding Parent Company to effectively manage operational risk loss incidents.</p>

Capital Adequacy Ratio and Management of Level 3 Assets

Capital Adequacy Planning:

According to the Company's Risk Management Policy, to effectively manage the Company's operational risks and to strengthen the Company's competitive advantage in line with business development strategies, the Company prudently controls the capital adequacy ratio. It maintains a level above the minimum statutory ratio required by the competent authorities to ensure sufficient capital to support risks arising from operations. Through capital allocation, the Company balances risk management with business development, effectively allocates resources, and achieves the goal of optimal capital allocation.

In the capital planning and adequacy management procedures, during the annual budgeting process, the Company incorporates strategic planning, risk policies, and overall resource allocation as the basis for business units to set performance targets, strategic priorities, and risk capital allocations. This approach aims to achieve the Company's strategic objectives and effectively manage enterprise-wide risks. The Company's Finance Department regularly conducts stress tests to monitor the capital adequacy ratio status, in order to comply with the regulations of the competent authorities and internal standards, and reports to the competent authorities on a monthly basis. Based on the outcomes of these stress tests, the Company analyzes the RAROC of each business or the impact of each business on capital adequacy in order to achieve optimal capital allocation. The Company has also established internal capital adequacy ratio warning indicators. If market overheating leads to insufficient risk capital and resources, causing the capital adequacy ratio to fall below the warning threshold, risk capital will be reallocated among business units based on the stress test results. If necessary, relevant departments will be convened to reassess and adjust capital allocation.

To assess the market risk exposure of trading positions, the Company's Risk Management Department regularly conducts stress testing to evaluate potential gains or losses under extreme fluctuations in market risk factors, thereby identifying possible impacts on the Company's investment portfolio.

The Company applies both historical and hypothetical scenario analyses, with the results regularly reported to the Risk Management Committee and the Board of Directors. As of December 31, 2024, under a hypothetical scenario assuming no change in inventory, where major equity indices decline by 15%, yield curves shift upward by 150 basis points, foreign currencies depreciate 10% against the New Taiwan Dollar, and commodity indices fall by 25%, the estimated loss on trading positions would be approximately NT\$1.263 billion.

Note: Risk-Adjusted Return On Capital (RAROC) is a measure of return that accounts for risk, evaluating both the return and the risk of an asset, thereby preventing losses that may arise from bearing high risk in pursuit of high returns.

Level 3 Asset Valuation and Management Process

KGI Securities' valuation process for assets and liabilities classified as Level 3 fair value is conducted in accordance with the Company's established Asset Valuation Guidelines. In cases where the fair market price is difficult to obtain or there is no active market for the traded product, the relevant departments assess the reasonableness of the fair value, and the Accounting Department records the valuation results accordingly.

Except for certain financial instruments evaluated using the Long-Term Investment Valuation Management System, business units estimate the fair value by applying appropriate valuation methods or models based on the system's methodologies. As the Company has obtained approval to apply the Delta-Plus approach for options under the advanced capital adequacy calculation method for securities firms, financial instruments used for capital adequacy and other statutory ratio calculations must comply with the Company's "Model Risk Management Guidelines." If business units require the addition or modification of financial instrument valuation models, they must submit a model (including parameters) change request along with supporting documents to the Risk Management Department. The Risk Management Department will validate and approve the model and parameters in accordance with internal procedures, and notify relevant departments including IT, model development and user units, Audit, Accounting, Financial Management, and Administration. Only models that pass the validation process may be implemented in actual operations or integrated into IT systems to ensure consistency in valuation methodologies, models, and data across departments and products. The Risk Management Department also performs quarterly model reviews. For models unchanged during the quarter, only parameter accuracy and applicability are reviewed. Together with relevant departments, the Company files the "Self-Assessment Checklist for Securities Firms' Model Risk Management" for the previous quarter with the Taiwan Stock Exchange and the Taipei Exchange. Additionally, the investment properties held by the Company are not measured at fair value. According to International Financial Reporting Standards and the Regulations Governing the Preparation of Financial Reports by Securities Firms, their fair value information must be disclosed in the financial reports. These properties fall under Level 3 of the fair value hierarchy and are assessed based on external appraisal reports.

2.2.3 Climate Risk Identification and Response

On March 8, 2022, the FSC issued the "Implementation Strategy for the Sustainable Development of the Securities and Futures Companies," The FSC implemented three strategies to enhance the quality and content of sustainable development information disclosure in the securities and futures industry: "strengthening the securities and futures industry's capacity to address climate change risks," "enhancing the disclosure of sustainable development information in securities and futures business," and "improving information disclosure channels and external communication in the securities and futures industry." Since 2022, the Company has continuously implemented the Task Force on Climate-related Financial Disclosures (TCFD) project, coordinated by the Risk Management Department. The Company has also established the "Climate Change Management Guidelines," which were approved by the Board of Directors and published in 2023. Climate-related risks and opportunities are being progressively integrated into the Company's existing risk management framework. An annual standalone TCFD Report is prepared to disclose climate-related financial information. For more details, please refer to the Environmental section of this report and the Company's latest TCFD Report.

Since 2022, the Company has engaged external expert consultants to enhance its climate risk analysis and assessment. By adopting the TCFD framework, the Company identifies and evaluates climate-related risks and opportunities, and has established a climate governance structure along with internal management procedures and mechanisms for climate risk. The Company regularly assesses the impact of physical risks on its operational sites and formulates corresponding response measures. Regarding physical risks, the strategy is explicitly defined as "low-carbon transition and enhanced climate resilience in operations." Short-, medium-, and long-term targets are set with reference to the SBT international standards to enhance climate resilience. Climate change mitigation and adaptation measures are formulated to ensure the continuity of operations.



## 2.3 Information Security

In recent years, due to the rapid development of information technology, incidents of cybersecurity attacks and personal data breaches have occurred frequently. Regulatory authorities have increasingly emphasized the importance of information security, continuously advocated for its significance. The Company regularly reviews the applicability of internal policies and external regulations. To ensure the confidentiality, integrity, and availability of professional financial services, The Company has established the "Information Security Policy." This policy follows relevant legal and regulatory requirements to conduct information security risk assessments, determine the security requirement levels for various information operations, and implement appropriate and sufficient information security measures. This ensures the security of The Company's information collection, processing, transmission, storage, and circulation.

### 2.3.1 Information Security Governance Framework

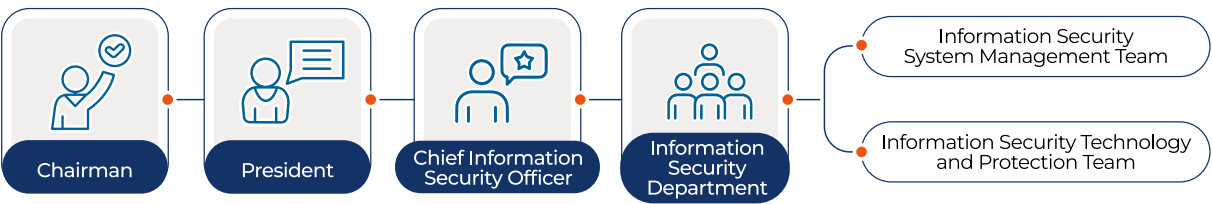
To enhance organizational awareness of information security, the Company appointed a Chief Information Security Officer in 2022 and engaged external advisors with cybersecurity expertise to participate directly in Board of Directors meetings. Regular training sessions and industry risk briefings are provided to directors and supervisors to integrate cybersecurity risks into business decision-making. The Board of Directors promotes cybersecurity risk governance strategies from the top down.

According to the regulations on the classification of paid-in capital protection standards, the Company is classified as a Level 1 securities firm. To implement information security management and cultivate a deep-rooted information security culture, the organizational planning for information security was upgraded in 2023 from the original dedicated information security unit within the IT Department to an independent department—the Information Security Department - to effectively implement internal information security policies and safeguard the organization's information security defenses.

The Information Security Department is staffed with one Senior Assistant Manager as the department head and divides 11 professional information security personnel into two groups: the "Information Security System Management Team" and the "Information Security Technology and Protection Team." The Information Security System Management Team is responsible for formulating information security policies and procedures, promoting the implementation of security frameworks, executing annual security initiatives, and leading information security education and awareness programs. The Information Security Technology and Protection Team is tasked with implementing technical controls and security countermeasures, establishing security monitoring mechanisms, and managing security incident analysis, reporting, and response protocols. Each team operates with clearly defined responsibilities to strengthen the Company's cybersecurity capabilities. Personnel in the department hold certifications such as ISO 27001, exceeding current regulatory requirements.

The IT Department is responsible for formulating the overall IT development strategy and objectives, including planning, training, and research and development related to IT operations. It oversees the establishment, maintenance, and management of information systems, as well as the setup, operation, and management of computing and network environments. It also collaborates with other departments to plan and execute annual IT projects, manage system incident reporting, and ensure effective information governance, IT risk management, and regulatory compliance.

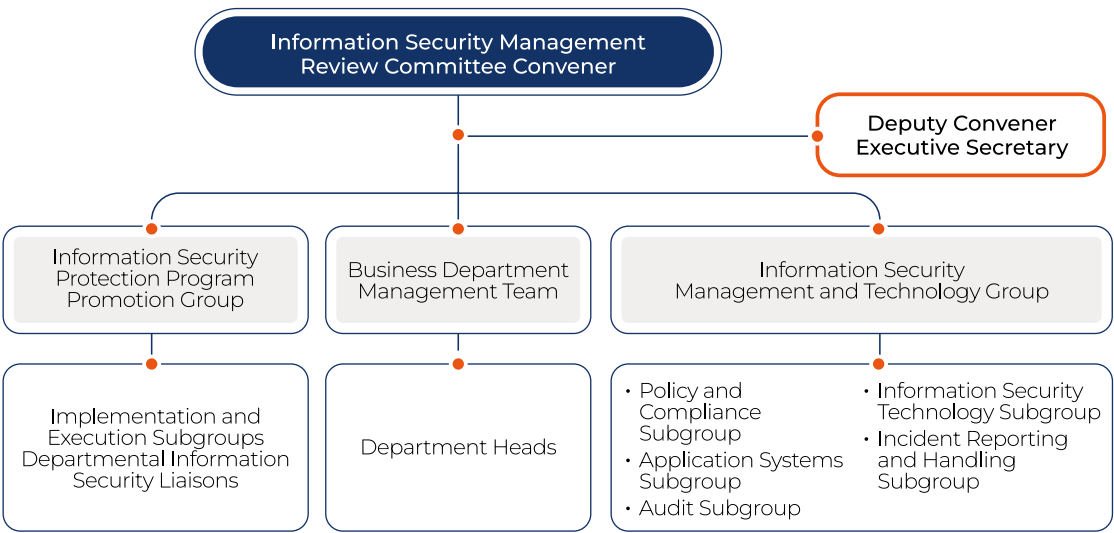
### Information Security Organizational Structure



### Information Security Management Review Committee

KGI Securities established an Information Security Promotion WG in 2016 to oversee ISO 27001 management and related information security matters. In response to the formation of an independent Information Security Department in 2023, the task force was elevated to the "Information Security Management Review Committee," convened by the President of KGI Securities and the Chief Information Security Officer as the deputy convener. This internal task-oriented committee regularly reports the progress of cybersecurity initiatives to relevant departments. It also submits an annual report to the Board of Directors detailing the company's overall information security performance. The committee convenes at least twice a year to oversee the procedural matters of the annual information security management review meetings, the execution of meeting resolutions, and the review and management of the implementation results of the information security management system.

■ Information Security Organizational Structure Chart



Information Security Background of Senior Management

Title	Name	Information Security Background and Experience
Convener of the Information Security Management Review Committee	President William Fang	Over 30 years of experience in the securities industry, with extensive expertise in business management, regional integration, and domestic and international financial operations. He has led the KGI Securities team to become a leading brokerage firm in Taiwan and emerging markets across the Asia-Pacific region, earning numerous awards and recognition over the years.
Deputy Convener of the Information Security Management Review Committee Chief Information Security Officer	Vice President Richard Sun	Over 25 years of practical experience in information planning, implementation and promotion, information security, and network security management.
Head of the Information Security Department	Senior Assistant Manager Huang Cheng-Chieh	Holds certifications including ISO 27001 LA, CISA, and CHFI.

In addition to the management team, the dedicated information security personnel at KGI Securities also hold various information security certifications, including ISO 27001, ISO 22301, ISO 27701, CISA, CEH, CompTIA Security, CCNA, ECSA, and CHFI. As of the end of 2024, a total of 27 professional certifications had been obtained.

2.3.2 Information Security Certification and Implementation Results

To comply with current information security regulations and enhance internal information security standards in line with external certification frameworks, the Company adopted the ISO 27001 Information Security Management System in 2016, incorporating the “Plan-Do-Check-Act” (PDCA) operational model to establish a structured information security management framework. An ISO 27001 management review meeting is held at least once annually to report on information security operations and risk treatment outcomes, ensuring the continued effectiveness and timely improvement of the system.

In 2024, the Company initiated a transition project to upgrade to the ISO 27001:2022 standard. This updated version introduces 11 new control requirements to address increasingly diverse and sophisticated forms of cyberattacks. The Company conducted a comprehensive review and reinforcement of its existing information security systems. The transition project was successfully completed in December 2024, with third-party certification obtained.

The Company also annually appoints a professional third-party cybersecurity consulting firm to conduct evaluations of the implementation of information security policies and resource allocation affairs. This provides expert consulting services and high-standard security assessments. Additionally, advanced mechanisms such as Advanced Persistent Threat (APT) warning systems, Endpoint Detection and Response (EDR) , information security incident management platforms, data leakage prevention mechanisms, managed detection and response monitoring, and outsourced cybersecurity monitoring centers have been introduced to achieve comprehensive network threat warning and monitoring measures. In 2024, the cybersecurity consultant reported the annual assessment results on information security policy implementation and resource coordination to the Board of Directors once, and conducted a one-hour cybersecurity training session for board members. The training covered the impact and benefits of emerging technologies on digital innovation in the financial industry.

In addition to its ISO 27001 Information Security Management System certification, the Company also regards business continuity management as a key operational strategy. Beyond strict compliance with relevant regulations, the Company obtained the "BS 10012 Personal Information Management System" and "ISO 22301 Operational Continuity Management System" certifications in 2023 (certifications remain valid through 2024). The Company manages information security systems to high standards to achieve comprehensive network threat early warning and monitoring measures, continuously optimizing and improving management performance, and enhancing information security response capabilities and operational continuity management resilience.

In 2024, the Company recorded no data breaches, no personal data-related incidents, and no customers affected by such incidents.

Note:

- Advanced Persistent Threat (APT) refers to a prolonged and targeted cyberattack in which an intruder uses multiple techniques and methods over an extended period to infiltrate a target system, with the goal of stealing sensitive information, gaining control of the system, or causing damage. Therefore, it is necessary to implement effective safety measures for prevention and response.
- Endpoint Detection and Response (EDR) is a "new type" of security technology designed to protect endpoint devices (such as desktop computers, laptops, etc.). It reduces the risk of malicious attacks through real-time detection and countermeasures.

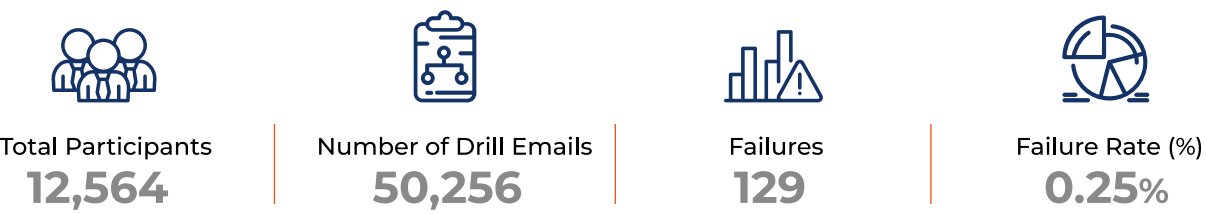
## Implementation of Information Security

To enhance information security awareness within the organization, monthly routine communications are conducted via email and computer desktop wallpapers, using engaging educational content to reach all employees and promote cybersecurity advocacy. Additionally, annual cybersecurity training courses are arranged according to employee level, including general staff, information security professionals, and middle to senior management. In 2024, the employee participation rate in cybersecurity training courses reached 100%. The Company also conducts four email social engineering drills annually to test and enhance employees' cybersecurity awareness.

### Information Security Training Outcomes

Employee Level	Number of Participants	Regulatory Training Hour Requirement	Total Training Hours
General Staff	3,081	3	9,243
Information Security Professionals	11	15	165
Mid-to-Senior Level Managers	227	3	681

### Email Social Engineering Drills Results



## Resources Invested in Information Security Management

The Company invested a total of NT\$54,174 thousand in information security expenses in 2024, representing 9.2% of the total information budget. Additionally, the Company assessed the feasibility of acquiring information security insurance.

### Business Continuity Management

To mitigate the operational impact caused by major disasters (including but not limited to earthquakes, fires, etc.) or information operation failure incidents, and to ensure the continuous operation of critical business and operational activities, the Company has collaborated with external expert consultants to implement the ISO 22301 Business Continuity Management System. The Board of Directors has approved the formulation of the "Business Continuity Policy," which mandates conducting business impact analysis and continuity risk assessments to understand the organization's resilience and needs. Appropriate recovery objectives are set to reflect the acceptable level of operational disruption risk. Based on this, a business continuity management mechanism is established and strictly executed, along with regular internal audits and management reviews to ensure its effectiveness. The ISO 22301 Business Continuity Management System maintains ongoing third-party certification and successfully passed the latest external audit in March 2025, with certification valid through 2025.

The Company has also established the "Operational Continuity Management Team" in accordance with the policy, assigning dedicated personnel to plan the business continuity policy, allocate security responsibilities, coordinate the Company's business continuity plans, promote the operation of the operational continuity management system, and shorten the response and handling time when business disruptions occur. In addition, all personnel of the Company with operational continuity management responsibilities have received operational continuity training and regularly conduct related drills to ensure that all operational continuity steps achieve the predetermined operational continuity objectives. In addition to full-time personnel, the Company also incorporates the business continuity management course into the training for new employees, and regularly arranges emergency response and recovery plan advocacy training to enhance employees' awareness of the business continuity management system.



### Emergency Response and Recovery Plan Awareness Training



**40** mins.  
Training Hours



**613**  
Participants



**100** %  
Completion rate

In addition to the aforementioned training, the Company follows ISO 22301 requirements by having the Business Continuity Management WG regularly plan and conduct remote work drills. These drills cover critical business operations with a Recovery Time Objective (RTO) of less than 5 days and include actual external service operations such as account opening, domestic market entrusted trading, quoting, account inquiries, and settings. In 2024, a single off-site office drill was conducted. Moving forward, the operational procedures will be adjusted based on the results of the drill, with continuous monitoring and improvement.

The Company will continue to review and improve the key activities of the business continuity management system, including but not limited to business impact analysis, risk assessment, continuity strategies, continuity plans, drills, internal audits, and management reviews, aiming to improve overall business continuity effectiveness.

## 2.3.3 Customer Information and Privacy Protection

To fulfill its obligations and responsibilities in protecting customer information and privacy, while also enhancing customer service convenience and facilitating cooperation within the KGI Group, the Company has established policies in accordance with the Personal Data Protection Act and the Guidelines for Data Sharing Among Financial Institutions. These include the "Customer Data Sharing Management Policy," "Personal Data Protection Policy," "Privacy Protection Policy," and related operational procedures to safeguard customers' information and privacy rights, as well as to identify and manage associated risks.

The Company has commissioned a reputable external verification organization to conduct a third-party verification audit of the BS 10012:2017 Personal Information Management System standard, and has passed the verification, with the certification remaining valid.

### Privacy Protection and Risk Management

The Company's Compliance Department has completed the 2024 "Business Process Identification and Personal Data Inventory Operations" and "Risk Assessment Operations" in accordance with the Guidelines for Personal Data Privacy Impact Analysis and Risk Evaluation. According to the inventory and assessment results, the personal data risks involved in the various operational processes of the Company have all been effectively controlled.

To further strengthen personal data protection, the Company has reviewed the personal data business processes. After the review, it was confirmed that each unit has completed the "Personal Data Process Risk Assessment Form" with reference to the aforementioned guidelines. The core team then prioritized the risks and evaluated the Company's acceptable risk level. The final step involved the Executive Secretary of the core team selecting personnel to draft the "Periodic Self-Assessment Report on the Personal Data Protection Management System" based on the aforementioned evaluation results. After submission to the core team for discussion and approval by the President, through the above process, the Company has established effective controls over personal data risks arising from its business processes.

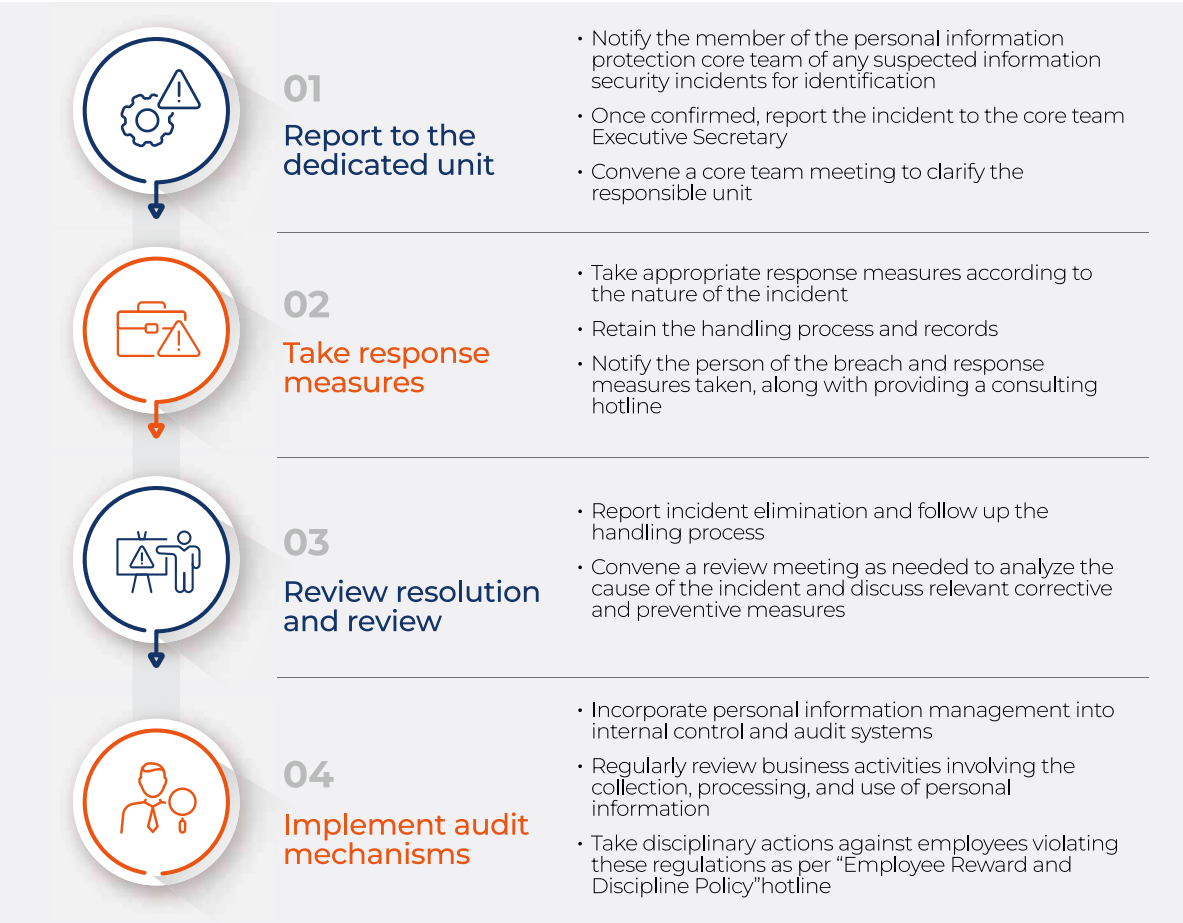
To promote transparency, KGI Financial Group, including KGI Financial, the Company, subsidiaries, and third-party suppliers, clearly outlines how personal data is used and protected. Customers are also provided with accessible and effective communication channels. Full details of the Company's Privacy Protection Policy and Customer Data Confidentiality Statement can be found on the KGI Securities corporate website.

Privacy Protection Policy: <https://www.kgi.com.tw/en-us/others/privacy-policy>

Customer Data Confidentiality Statement: <https://www.kgi.com.tw/en-us/others/confidentiality-statement>



Customer Information and Privacy Protection Incident Handling and Audit Mechanism



The Company has disclosed on its corporate website the information of affiliated group companies authorized to share and use customer data (including their names and contact details), along with a dedicated customer service hotline. Customers may contact the Company at any time should they have questions or concerns regarding their privacy or other personal data rights. The Company will assist in coordinating with the relevant affiliated companies for further handling. If any employee discovers a suspected personal data breach, they must immediately report it to the designated personal data protection unit. Once confirmed, the Company will promptly implement appropriate response measures and notify the affected individuals, informing them of the incident and the actions taken. In the event of a material data breach, the responsible unit will initiate the emergency response procedure in accordance with the Company's major incident protocol. Additionally, the Company is required to notify the competent authority within 72 hours of such incidents, ensuring stronger protection of customer privacy and rights.

Customer Information and Privacy Protection Breach Incidents

In 2024, KGI Securities received two customer complaints related to privacy concerns. Details are as follows:

Complaint Case	Incident Description	Corrective Measures
<p>An anonymous complaint was received by customer service regarding the following actions by a branch employee:</p> <ul style="list-style-type: none"><li>• The employee posted on social media platforms (Threads, IG) a photo of a former supervisor who visited for business purposes, along with a description of the person's profession. The comment section included discussions that made the customer's identity identifiable.</li><li>• The employee publicly posted photos containing client authorization letters on social media platforms (Threads, Instagram).</li></ul>	<p>The employee publicly posted a photo and information (including the customer's former supervisor's profession and a customer authorization letter) on social media platforms (Threads, IG).</p>	<p>The branch immediately reminded the employee to use social media appropriately and refrain from posting work-related content. In addition, all sales representatives were re-educated on the Company's social media conduct guidelines through a company-wide online training session.</p>
<p>An employee (not involved in order processing) saw a customer's authorized representative visit the branch to handle a Taiwan stock account authorization. The employee then used the LINE messaging app to notify the customer's spouse (who is not the authorized representative), resulting in a disclosure of the customer's trading information.</p>	<p>The employee disclosed the customer's stock trading information to someone other than the customer or their authorized representative.</p>	<p>The employee was reminded of the importance of personal data protection laws and instructed not to disclose any customer trading information to individuals other than the customer or their authorized representative.</p>



# 3 Responsible Finance

48 3.1 Sustainable Finance

57 3.2 Innovative Digital Services

62 3.3 Service Quality and Customer Relations

The Company shall actively promote sustainable finance, responsible investment, and stewardship in accordance with the Corporate Governance Code for Institutional Investors, thereby contributing to the industry's net-zero transition. In alignment with the principle of fair treatment of customers, the Company shall foster a corporate culture of fairness through three key areas: customer service, inclusive finance, and digital finance.

- Investment in high carbon-emission industries maintained below 24.5%
- Annual growth of 5% in ESG bond investments
- Annual increase of 3% in the proportion of investees with committed or established SBT (Science-Based Targets)
- Promotion of inclusive financial products and services
- Emphasis on Net Promoter Score (NPS) and customer satisfaction
- First-call resolution rate at the customer service center exceeding 97.5%
- Enhancement of customer digital service experience

## 3.1 Sustainable Finance

KGI Securities adheres to the sustainable finance vision of its parent company, KGI Financial, providing sustainable financial solutions for clients, employees, shareholders, and society. It is committed to delivering long-term, stable returns, maximizing value for investors and shareholders, and creating a positive sustainability impact through capital and financial services.

To align with international standards, respond to the government's sustainable investment philosophy, and realize the sustainable net-zero vision of the KGI Financial Group, KGI Securities signed the "Compliance Statement of Stewardship Principles" in 2018 and formulated the Company's "Responsible Investment Policy" in 2021. ESG factors have been integrated into investment decisions and risk assessments, while stewardship is actively practiced through monitoring investee operations, attending shareholder meetings, voting, and engaging with investee companies. In 2024, KGI Securities was again named to the TWSE list for excellence in stewardship disclosure, achieving full scores across all 30 indicators under both "Policy and Compliance Statement" and "Practice and Disclosure," demonstrating strong commitment to stewardship and transparency, and earning high recognition from the competent authorities.

In addition, following the lead of its parent company KGI Financial, KGI Securities officially signed to join the Partnership for Carbon Accounting Financials (PCAF) in 2023. The Company has adopted international standards for carbon accounting in investment and financing, established a climate change risk management mechanism, and, in accordance with the SBTi international standards, is taking concrete actions to achieve a net-zero carbon emission target across all assets. Through these efforts, KGI Securities actively promotes corporate sustainability transformation and accelerates the realization of the net-zero carbon emission vision.

### 3.1.1 Responsible Investment

The Company's Responsible Investment Policy is implemented in proprietary trading decisions according to the following procedures to ensure the promotion of responsible investment and sustainable finance-related policies.



#### 01 Screening

##### Implementation of Responsible Investment and Stewardship:

A Responsible Investment Policy has been established to integrate ESG sustainability factors into the investment decision-making process and ensure stewardship practices are carried out. ESG investment performance is reported regularly to the Board of Directors to support management's oversight and policy evaluation.

##### Establishment of a Negative Screening List:

Direct investment is excluded for targets whose core business involves environmental pollution, social controversies, or poor corporate governance.



#### 02 Evaluation and Management

##### Conflict of Interest Management:

Through regulations such as the "Employee Code of Conduct," "Operation Principles of the Internal Persons and Related Account Transactions," "Pre-Transaction Reporting Procedures for Designated Internal Personnel," "Code of Ethical Conduct," and "Guidelines for Transactions with Related Parties," the organization confirms and prevents conflicts of interest between employee conduct, related party transactions, and investment targets within the internal structure.

##### Incorporation into ESG Risk Assessment:

The ESG risk assessment for investments is conducted based on the listing location of the securities or individual trading methods, utilizing externally accessible and credible ESG rating agencies' evaluations or scores, publicly disclosed information regarding the issuer's ESG implementation, or regulatory authority penalty information as the basis for evaluation, in order to facilitate trading decisions.

##### Post-Investment Management:

ESG risks of investee targets are regularly reviewed and assessed to inform position adjustments. Enhanced controls are applied if an investment falls under exclusion criteria or is rated as high ESG risk.

##### Proxy Voting Policy:

The Company actively monitors investee companies and attends shareholder meetings to express views on proposed resolutions.



#### 03 Engagement

##### Engagement with Investee Companies:

Actively engages with investee or advised companies to understand their decision-making processes and ESG practices, offering suggestions and improvement measures to promote ESG principles externally.

The Company regularly publishes its “KGI Securities’ Voting Records in Investee Companies,” demonstrating active governance participation. In 2024, the participation rate in shareholder meetings of TWSE- and TPEx-listed, emerging stock, and publicly issued companies reached 100%. This included 6,299 phone or face-to-face meetings, 1,112 email notifications, participation in 789 investor conferences, and attendance at 1,333 annual or significant extraordinary shareholder meetings. Through these methods, the Company actively communicates with the management of invested companies to further understand and discuss the risks and strategies faced by their industries, thereby underscoring the Company’s emphasis on the internal governance of invested companies.

The Company’s “Stewardship Principles,” compliance status in 2024, and related disclosure information can be found in detail in the Stewardship section of the Company’s official website: <https://www.kgi.com.tw/en-us/stewardship>

Stewardship Mechanism:

When assessing ESG-related information of investee companies, the Company refers to relevant indicators and standards according to asset type. It evaluates whether investees fulfill environmental protection, corporate integrity, and social responsibility, aiming to advance corporate sustainability through capital allocation. Stewardship actions are used to directly or indirectly reduce sustainability risks. Engagement topics include, but are not limited to, the following ESG aspects:

If the assessment identifies ESG-related material anomalies or special issues, the Company will disclose the details and response measures, including but not limited to initiating engagement actions to leverage its influence and determine subsequent investment strategies. Additionally, based on the results of the aforementioned ESG sustainability issue questionnaire, items with higher non-compliance rates are referenced for ongoing engagement with investee companies. The Company also periodically follows up with investee management to monitor progress and enhance their stewardship awareness.

The Company evaluates investments in domestic equity products listed on the centralized market by referencing relevant indicators and standards based on asset type. Key references include Taiwan’s Corporate Governance Evaluation results, ratings or scores issued by domestic and international ESG rating agencies published on the Taiwan Depository & Clearing Corporation’s “ESG IR Platform” (including Taiwan’s governance evaluations), and other ESG scoring indicators. Additionally, publicly disclosed information such as ESG reports and corporate ESG data from the Market Observation Post System’s Corporate Governance section for TWSE- and TPEx-listed companies is collected for ESG risk assessment. Domestic ESG-related penalties and other available information are also comprehensively evaluated to determine if the investee poses significant ESG risks. Other reference indicators include ESG rating indices from internationally renowned evaluation organizations such as MSCI and Sustainalytics.



1. **Environment (E):** Emphasize the importance of addressing climate change, encourage customers to establish carbon reduction goals, prioritize biodiversity and natural ecology, and focus on effective resource management to prevent environmental pollution;



2. **Society (S):** Our focus is on promoting human rights equality, preventing sexual harassment, and encouraging charitable activities for public welfare;



3. **Governance (G):** Emphasize ethical corporate management, implement sustainable governance, and support participation in ESG-related initiatives.



Engagement Case:

Reason for Engagement

KGI Securities, together with KGI SITE managers, engaged with the spokesperson and procurement supervisor of DD Company to understand the company’s current corporate governance and industry status:

- 1. Among the 12 board seats, only 3 are independent directors, which does not meet regulatory requirements;
- 2. Since DD Company is primarily US-based, its supply chain heavily relies on upstream steel manufacturers producing semi-finished goods. In light of the US implementation of the Clean Competition Act (CCA) imposing carbon fees, the company’s plans for driving carbon reduction across its supply chain were discussed.

Based on these issues, the Company decided to initiate engagement actions to leverage its influence and promote stronger stewardship awareness.

Engagement Process

KGI Securities, KGI SITE, and DD Company engaged in joint discussions, resulting in the following suggestions:

- 1. DD Company increase the number of independent directors so that they shall not be less than one-third of the Board of Directors’ seats, in order to strengthen Board operations and director effectiveness.
- 2. In response to the U.S. CCA Act, it is recommended that DD Company initiate planning to enhance the overall sustainability awareness of the supply chain and implement concrete carbon reduction measures. These include promoting supplier ESG self-commitments and self-assessments, encouraging sustainable practices among suppliers, and enhancing engagement with suppliers to evaluate and implement carbon inventory measures.

Engagement Outcome

- 1. To enhance the effectiveness of its Board of Directors, DD Company has arranged annual director training and is planning board succession through recommendations from current directors, shareholder nominations, and board performance evaluations as a basis for reappointment decisions.
- 2. DD Company has established a “Supplier Code of Conduct,” requiring suppliers to minimize their impact on communities, the environment, and natural resources during manufacturing. It also requires its top 10 key suppliers (accounting for approximately 60% of total procurement) to sign a “Supplier Social Responsibility Commitment.” Green certifications have been added as mandatory criteria in supplier evaluations, and all new suppliers must undergo on-site audits by DD Company before approval.

■ RESPONSIBLE INVESTMENT OUTCOMES:

DATA CROSS-VERIFICATION IN PROGRESS; ISSUE TYPE: SOURCE DATA VERSION ERROR

Sub-category Code	Sub-category Name	No. of Cases	Amount (NT\$ Millions)	Investment Share (%)
640	Financial Service Activities	46	17,987.53	34.76%
641	Monetary Intermediation	9	4,163.80	8.05%
610	Telecommunications	5	3,562.55	6.88%
180	Manufacture of Chemical Raw Materials, Fertilizers, Nitrogen Compounds, Plastics and Rubber Raw Materials, and Synthetic Fiber	6	2,942.41	5.69%
660	Securities, Futures, and Other Financial Services	6	2,876.85	5.56%
350	Electricity and Gas Supply	9	2,244.81	4.34%
351	Electricity Supply	9	2,019.99	3.90%
240	Manufacture of Basic Metals	7	2,001.62	3.87%
261	Semiconductor Manufacturing	30	1,705.32	3.30%
649	Other Financial Services	2	1,389.99	2.69%
Total Cases and Amount of Investments in the Top Ten Industries		129	40,894.87	79.02%
Total Cases and Amount of Investments		389	51,749.85	100%

The above responsible investment results include the Company’s equity and bond investment positions. Among these, the bond investment positions include a sustainable development bond approved by the Taipei Exchange (investment target code B94172, classified as a social responsibility bond), with the Company’s investment totaling NT\$700 million.

Due to the high volume of daily trading activity executed by the Company, it is currently not feasible to fully disclose detailed transaction records for the entire year of 2024. Therefore, the disclosed responsible investment results above are based on the Company’s inventory details (including hedging positions) as of December 31, 2024, and categorized by industry to ensure alignment with the Responsible Investment Policy. The Company will continue to adhere to the Responsible Investment Policy, balancing financial performance with sustainability responsibilities, and will explore ways to improve disclosure of detailed investment performance in the future.

3.1.2 Financial Products and Services

MEASURES TO INTEGRATE SUSTAINABILITY TRANSITION ASSESSMENTS INTO UNDERWRITING AND ADVISORY CASES

When leading underwriting cases, KGI Securities not only complies with the relevant regulations for reporting or application to the competent authorities, but also proactively communicates with the companies being assisted. It reviews whether these companies disclose their ESG implementation status as required, whether there are any significant environmental incidents and related fines, and assesses their improvement status. These measures embed sustainability transition considerations into the advisory process. Publicly available information is also reviewed to thoroughly understand the Company's GHG emissions, challenges in carbon reduction, and potential mitigation strategies. Underwriting services are only conducted after confirming no material ESG-related risks. Specific measures include:

1. Encouraging advisory clients to promote prioritize sustainability and adequately disclose their ESG practices in the prospectus.
2. Reviewing ESG implementation progress across multiple dimensions:



• **Environmental Issues:** Establishment and execution of environmental management systems, energy efficiency improvements, assessment of climate risks and opportunities, GHG inventory and management, water usage tracking and management, and waste volume monitoring and management.



• **Social Issues:** Protection of human rights, employee benefits, workplace safety and conditions, employee training, consumer protection and client rights, and supplier management.



• **Corporate Governance:** Composition and responsibilities of the Board of Directors, director election methods, internal division of responsibilities, stakeholder communication channels, and information disclosure.

FINANCIAL PRODUCT GREENWASHING PREVENTION MEASURES

When the Company promotes investment products and provides financial services, it follows the “Guidelines for Financial Institutions on Greenwashing Prevention.” Relevant product and service information is disclosed clearly and transparently to investors, ensuring the accuracy, completeness, clarity, and comparability of all claims to prevent misinformation or investor confusion.

In addition, the ESG fund products listed on the Company website are either “domestic funds issued by securities investment trust companies related to ESG issues” or “offshore funds related to ESG issues distributed by general agents.” These have been handled in accordance with the FSC letter Jin-Guan-Zheng-Tou-Zi No. 1100362463 dated July 2, 2021, and Jin-Guan-Zheng-Tou-Zi No. 1100365536 dated January 11, 2022, ensuring the complete disclosure of relevant information about the financial products. ESG stock product information is based on Bloomberg ESG scores and is disclosed and explained on the Company's website.

PERFORMANCE OF PRODUCTS OR SERVICES RELATED TO SUSTAINABLE DEVELOPMENT

All equity underwriting cases handled by the company are subject to the completion of checklists required by the TWSE and TPEx to ensure there are no operational, financial, or corporate governance risks. Since 2023, the Company has further evaluated the sustainability performance of underwriting cases, including environmental issues—energy use, climate change, GHG emissions, water resources, and waste management; human rights issues—human rights protection, employee welfare measures, occupational safety and health measures, customer rights, and supplier management policies; as well as conducting assessments on whether there are any significant environmental incidents involved.

2024 Sustainable Equity Underwriting Cases: Total Number, Underwriting Amount, Fee Income, and Industry Distribution (Top 10 industries by case amount, based on DGBAS industry classification and mid-level codes)

Industry Category	Number of Underwriting Cases	KGI Securities Underwriting Amount (NT\$ Thousands)	Handling fee income (NT\$ Thousands)
26 Manufacture of Electronic Parts and Components	8	11,906,386	85,496
25 Metal Manufacturing	6	2,346,593	26,207
46 Wholesale Trade	1	1,833,660	6,515
30 Manufacture of Motor Vehicles and Parts	3	1,670,095	65,463
28 Electrical Equipment and Supplies Manufacturing	1	1,658,725	11,812
11 Textile Manufacturing	1	1,111,800	7,404
27 Manufacture of Computers, Electronic and Optical Products	1	873,432	8,297
63 Information Services	2	713,930	13,971
20 Manufacture of Pharmaceuticals and Medicinal Chemical Products	1	703,800	5,468
19 Other Chemical Products Manufacturing	2	602,777	8,371
Total Number of Sustainable Development Equity Underwriting Cases	33	25,411,575	301,226
Total Number of Full-Equity Underwriting Cases	56	41,177,060	645,576
Ratio of Sustainable Development Cases	59%	62%	47%

■ Sustainable Finance Advisory and Consulting Services Handled in 2024 (Top 10 industries by case amount, based on DGBAS industry classification and subcategory code)

Sub-category Code	Sub-category Name	Amount (NT\$ Thousands)
272	Manufacture of Communication Equipment	142,769
303	Manufacture of Auto Parts	59,038
332	Manufacture of Medical Instruments and Supplies	52,134
200	Manufacture of Pharmaceuticals and Medicinal Chemical Products	47,353
433	Electrical, Plumbing and Other Construction Installation Activities	23,146
292	Other Special-Purpose Machinery and Equipment Manufacturing	15,848
264	Manufacture of Optoelectronic Materials and Components	14,072
271	Manufacture of Computers and Peripheral Equipment	9,731
269	Other Electronic Components Manufacturing	2,100
620	Computer Programming, Consultancy, and Related Services	2,060
Income from Financial Advisory and Counseling Services related to Sustainable Development		386,266
Total Income from Financial Advisory and Counseling Services		756,102
Ratio of Sustainable Development Cases		51%

As there are currently no specific domestic regulations defining sustainable equity underwriting, financial advisory, or consulting service cases, the Company has, starting in 2024, developed its own criteria for disclosure. These include projects or companies related to environmental protection or energy-saving products (such as electric vehicles, e-bikes, and green energy), those emphasizing green supply chains, holding ISO certifications, demonstrating outstanding performance or sound systems in corporate governance evaluations, actively engaging in the development of emerging energy, or being constituents of ESG-related indices. These criteria serve as the Company's standards for information disclosure of sustainable development equity underwriting cases, financial advisory, and counseling service cases. In the future, if domestic laws or competent authorities provide clear guidelines or regulations regarding sustainable development cases, the Company will comply with the relevant regulations and publicly disclose related information after adjusting statistical standards.

■ Sustainable Development Bond Underwriting in 2024

The Company defines sustainable development bonds based on the Taipei Exchange's Operation Directions for Sustainable Bonds, which include green bonds, social bonds, and sustainability bonds approved by the Taipei Exchange:



- **Green Bonds:** Bonds whose proceeds are exclusively used to fund green investment projects.
- **Social Bonds:** Bonds whose proceeds are exclusively used to fund projects with social benefits.
- **Sustainability Bonds:** Bonds whose proceeds are simultaneously used to fund both green and socially beneficial projects.
- **Sustainability-Linked Bonds:** Bonds whose terms and conditions for principal and interest payments are linked to the issuer's sustainability performance targets, provided that the bond's principal is not impaired.

In 2024, KGI Securities underwrote a total of 19 sustainable development bonds (including cases where it acted as a financial advisor), comprising 16 green bonds, 1 social bond, and 2 sustainability bonds, with a total issuance amount of NT\$19.578 billion.

Statistical Category	Number of Underwriting Cases	Underwriting Amount (NT\$ Thousands)	Handling fee income (NT\$ Thousands)
Sustainable Development Bond Underwritings	19	19,578,153	28,838
Total Bond Underwritings	178	162,422,831	398,518
Proportion of Sustainable Development Bonds	10.67%	12.05%	7.24%

■ 2024 Market Making and Trading Statistics for Other Sustainability and Green Energy-Related Products

The number of market-making transactions and total value handled by KGI Securities in 2024 are as follows:

Market-Making Product	No. of Transactions	Amount (NT\$ Thousands)
ETF market-making	215	342,638,743
Stock market-making	49	103,847
Stock futures market-making	65	6,817,045
Call/Put warrants market-making	20,065	119,480,080

In 2024, the Company issued a total of 1,044 call/put warrants linked to green energy-related underlying assets. KGI Securities acted as a liquidity provider for 15 ETFs tracking ESG or other ESG-related indices, and participated as a designated dealer for 25 such ETFs. There were 16 ESG-quality stocks in which the Company engaged in market-making. The number of transactions and total trading value are as follows:

Product	Quantity	Amount (NT\$ Thousands)
Call/Put Warrants Issuance	1,044 issues	10,694,763
ETF Market-Making / Participating Dealers	25 issues	24,467,642
Stock Market-Making	16 issues	8,240

Although the aforementioned green energy-related linked products issued in 2024 do not include ETN products, the Company served as a participating broker for 18 ESG ETFs in 2024 and acted as a liquidity provider for 12 of these ETFs. For detailed information, please refer to the appendix of this report.

■ Overseas Sustainable Structured Products

In 2024, the Company partnered with international structured product issuers to become an industry leader in promoting and offering a series of “Charitable Giving Note,” “Green Note,” and “Social Note” offshore structured bonds. These offerings provide investors with green financial services that simultaneously meet their asset allocation needs while supporting environmentally friendly and sustainable investments.

Bond Type	Sustainable Investment Impact	2024 Notional Principal Traded (USD)
Green Offshore Structured Bonds	Funds raised are used by the issuer for qualified green assets with “environmental benefits,” such as renewable energy, green buildings, energy efficiency, clean transportation, waste and water management, sustainable agriculture, and forest management.	45,387,585
Social Responsibility Offshore Structured Bonds	The funds raised by the issuing institution are utilized to promote social responsibility and help reduce social and economic inequalities through assets such as regional economic development, socio-economic development and rights protection, and the improvement of local healthcare systems.	1,430,000
Charitable Giving Offshore Structured Bonds	For every fixed investment amount of US\$10,000 in this type of offshore structured product, the issuing institution will donate US\$5 to charitable organizations. This initiative aims to create positive milestones through investors, public groups, shared benefits, and mutual prosperity.	149,233,793



FINANCIAL SERVICES AND ESG CONCEPT PROMOTION

■ Immersive Micro-Site “ESG Sustainability Pioneer”

In 2024, KGI Securities served as the corporate partner for the National Taiwan University course “ESG Practice Management Consulting.” During this period, through surveys targeting the new generation and research on domestic and international financial institution websites, combined with students' creative thinking, an immersive micro-website titled “ESG Sustainability Pioneer” was launched. This ESG investment platform conveys the core concept of “Economic Growth and Sustainability in Tandem” and incorporates the “Bloomberg ESG Score” mechanism, which evaluates corporate ESG performance based on the three pillars of Environment, Social, and Governance. The platform selects ESG concept stocks from Taiwan and U.S. markets with scores above five and among the top 10 in market capitalization, carefully choosing ESG investment products that embody both sustainability principles and growth potential. This enables investors to easily participate in ESG investing, creating shared value for a prosperous life. The ESG Sustainability Pioneer Platform was launched on August 20, 2024.

KGI Securities ESG Sustainability Pioneer





Fund: ➡ ESG Sustainability Pioneer | Light Generation Value Investing — KGI Securities



Stock: ➡ ESG Sustainability Pioneer | Light Generation Value Investment - KGI Securities

## ■ ESG Corporate Sustainability Management Transformation Trends

For the third consecutive year, KGI Securities co-hosted a major industry panel discussion with IR Trust. In 2024, the forum centered on the theme “Achieving Environmental and Economic Synergy: Taiwan’s Path to ESG Implementation.” Three separate panels were held, each moderated by ESG professionals from Formosa Transnational, Dimension, and Deloitte, who facilitated in-depth dialogue and experience-sharing among participants. The forums focused on three of today’s most pressing ESG topics: carbon credit trading, sustainable development bonds, and ESG ratings & engagement. Discussions covered both policy and practical perspectives, offering actionable insights and the latest sustainability trends. Attendees—including key decision-makers from client and corporate organizations—were able to continue the conversation and explore the opportunities and challenges ESG presents for Taiwan’s capital markets.

### Agenda



#### 〈Carbon Credit Trading and Sustainable Development Bonds〉

Exploring Taiwan’s policy directions, concepts, and future outlook



#### 〈ESG Ratings and Engagement〉

Sharing perspectives on material topics in ESG sustainability reporting



#### 〈Inside ESG in Practice〉

Addressing challenges in sustainability disclosure and identifying next steps for net-zero transformation

## ■ Net-Zero City Expo

In support of the competent authority’s “2050 Net-Zero Emissions” plan, KGI Securities and KGI Financial participated in the National Development Council’s “Net-Zero City Expo.” They set up a booth in the Green Finance Zone under the curatorial theme “Net Zero Wonderland.” The exhibition showcased achievements in implementing green finance, addressing climate change, and promoting sustainable governance. The exhibit focused on three main pillars—green finance, sustainable governance, and digital innovation—to communicate KGI’s multi-faceted efforts and progress in driving net-zero transformation and ESG initiatives.



■ Promoting Financial Literacy and Investment Tools

KGI Securities periodically promotes financial literacy and the application of investment tools to diverse segments of the public. The Company is committed to providing effective and comprehensive financial services and knowledge to all social strata and communities.

Promotional Action	Description	Results
Online Financial Literacy Seminars	<ul style="list-style-type: none"><li>Regularly host online investment seminars featuring accessible, progressive financial education aligned with current financial news. These seminars assist investors in establishing sound financial concepts. Topics include Taiwan, U.S., and Hong Kong equities to help investors understand global market trends with ease.</li><li>Promote financial literacy through a variety of in-person seminars and events, offering professional investment insights and market analysis. These initiatives aim to provide effective and comprehensive financial services and education to all segments of society, empowering investors to enhance financial capability and achieve their goals.</li><li>All seminars are inclusive of customers with disabilities, Indigenous peoples, and new immigrants, offering diverse financial products and services tailored to the needs of different groups.</li></ul>	<ul style="list-style-type: none"><li>In 2024, a total of 50 online financial seminars were held, covering topics including macroeconomics, Taiwan stocks, U.S. stocks, Hong Kong stocks, overseas bonds, and industry trends, helping investors stay up to date with market developments.</li><li>In 2024, a total of 31 in-person financial seminars were held. Collaborations with financial media included organizing the "KGI Securities Insight Forum," the "KGI Investment Advisory Annual Investment Outlook Forum," the "KGI Financial Shareholders' Gathering," and the "Wealth Magazine Anti-Fraud Forum," among other in-person seminars.</li></ul>
In-Person Financial Literacy Seminars		
Financial Literacy Outreach for Customers with Disabilities, Indigenous Peoples, and New Immigrants		
Finance with Wen	<ul style="list-style-type: none"><li>A new type of financial program, "Finance with Wen," has been launched as a podcast and on YouTube. The program is hosted by the well-known financial anchor Chiwen Hsu and the professional team from KGI Securities, whose members have extensive experience as fund managers, macroeconomic researchers, securities analysts, lawyers, and financial advisors.</li><li>The program presents investment and financial management topics in a simple and relatable manner, engaging investors in casual conversations about various financial matters. It features exclusive interviews and in-depth analyses from experts, celebrities, and scholars from diverse fields, helping investors learn about investing with ease. Whether a novice or an experienced investor, listeners can effortlessly access the most professional financial information.</li></ul>	The "Finance with Wen" channel was launched on October 25, 2023, and is available as both a podcast and on YouTube. As of March 2025, the program has aired 71 episodes, with approximately 266,000 cumulative podcast downloads and around 1.68 million total YouTube views.
Corporate Visits	KGI Securities is very pleased to engage in exchanges with educational institutions and to provide internship opportunities. The Company regularly invites faculty and students to visit its offices for on-site corporate tours. These events often feature senior executives with extensive practical experience, who share insights on a wide range of topics, including the current state of Taiwan's capital markets, financial investment knowledge and tools, investment banking practices, financial management, and wealth management product design.	In December 2024, KGI Securities' Executive Vice President of Wealth Management Mr. Ruan, Executive Vice President of Capital Markets Mr. Peng, and Executive Vice President of the Fixed Income Department and Human Resources Mr. Chen participated in a corporate visit hosted by KGI Financial and the Department of Finance at National Sun Yat-sen University. They shared insights and practical experience on wealth management, investment banking, and fixed income with approximately 33 students and faculty members.
Taiwan Stock Market Simulation Trading Competition	KGI Securities partnered with Taipei City University of Science and Technology to host a stock trading simulation competition aimed at strengthening financial education among students. The initiative encourages university students, especially those new to investing, to improve their knowledge of stock trading and to understand the importance of trading risks through participation in the simulated trading competition. Additionally, the event was integrated with the university's Department of Business Administration investment course, with KGI Securities serving as instructor. The course covered fundamentals of Taiwan stock trading, hands-on simulation exercises, and demonstrations of quantitative trading strategies, encouraging students to gain near real-world investment experience through the simulation competition.	A total of four simulation trading competitions were held in 2024: <ul style="list-style-type: none"><li>May – Campus Championship: Open to currently enrolled college and university students, with 1,789 participants registered.</li><li>August – KGI Securities x Chunghwa Post Cup: Open to savings account holders of Chunghwa Post, with 1,670 participants registered.</li><li>November – Taipei City University of Science and Technology x KGI Taiwan Stock Competition: Open to high school (including vocational) and college/university students, with 690 participants.</li><li>November – Far EasTone x KGI Securities: Open to Far EasTone Telecom customers, with 752 participants registered.</li></ul>
Promotion of Regular Fixed-Amount Investment Plans	To encourage young people to leverage their time advantage and begin regular investments early, thereby embarking on the path to realizing their dreams through investment planning, KGI Securities launched the Taiwan Stock Small Fixed-Amount Investment Program. With a minimum investment of only NT\$100, investors can benefit from uniform price fixed-amount investments. This initiative aims to help investors gradually accumulate their life dream fund through simple, small deductions.	As of December 31, 2024, the number of accounts using the regular investment deduction plan has grown to 78,150.



## 3.2 Innovative Digital Services

KGI Securities has always prioritized the digital service experience of its clients, continuously optimizing its digital platform. The Company is committed to creating a customer-centric investment ecosystem with goals centered on “digital process optimization,” “differentiated wealth management services,” and “simple, real-time information.” By delivering innovative digital financial services that are warm and trustworthy, and leveraging cutting-edge technologies, KGI Securities proactively offers clients financial services with a personal touch. This approach establishes our leadership as a forward-looking brokerage, helping clients build a prosperous future.

To assist investors in making better investment decisions through financial technology in the rapidly changing market, starting in 2024, KGI Securities led the industry by launching multiple digital innovative services such as “AI Assistant” and “Customized Precision Notifications” on the Mobile e-Strategy App. Utilizing the most considerate personalized and customized digital technologies, these user-friendly digital features are designed to help investors analyze individual stock trends more quickly, conveniently, and accurately.

Furthermore, with the rapid advancement of technology, in order to promote the soundness and development of the securities market, KGI Securities, in alignment with the policies of the competent authorities, actively promotes the use of electronic order placement for trading among investors. This initiative aims to enhance the convenience and immediacy of investors' transactions while also supporting environmentally friendly business strategies. In 2024, electronic orders accounted for 88.8% of KGI Securities' total annual trading volume. Moving forward, the Company will continue to encourage the adoption of electronic trading to help investors achieve maximum investment efficiency with minimal environmental impact.



Shaping the Future with the Future! KGI Securities' "AI Assistant" Thoughtfully Evolves with a Dual-Intelligence Breakthrough Leading the Industry

**Friendly Finance:** The “AI Assistant” offers a humanized experience through its “Pre-Market Must-Read” feature, which delivers AI-generated market summaries via video, audio, and text formats. It is dedicated to creating a friendly financial environment, with special attention to the digital divide affecting disadvantaged groups, ensuring that everyone can easily access financial information.

**Professional Analysis Report:** KGI Securities' “AI Assistant” is the industry's first AI model prediction system that combines AI technology with professional analysts' expertise, embodying a “dual-brain” intelligence. Leveraging cutting-edge AI technology and big data, it redefines the evolving role of securities firms. With a single tap, users can access AI model forecasts and expert reports on nearly 2,000 listed stocks. The service includes three powerful, exclusive features:

1. The “Short-Term Weather Pattern” provides key momentum indicators and trend data for individual stocks;
2. “AI Model Forecast” uses AI algorithms to predict the direction and trend probability of stock prices for the next five days;
3. The “KGI Research Report” utilizes the professional research reports of KGI Securities Investment Advisory to provide investment recommendations for individual stocks over the next year, as well as analysis of industry market conditions.

## Convenient Financial Services

The Company is committed to providing convenient digital financial services, offering customers a variety of remote service experiences. These include the “Video e-Signature Value-Added Service,” which allows clients to easily apply for adjustments to their Taiwan stock trading limits online, regardless of location. Additional user-friendly features include “Online Joint Sales Consent Form Signing,” “6-Minute One-Stop Online Account Opening,” and the “New Bank Identity Verification Method for Sub-Account Opening.” For disadvantaged customers with hearing or speech impairments, the “Live Text Customer Service” is available, allowing users to submit service-related inquiries via text and receive real-time assistance. For more information on these inclusive measures, please refer to Section 3.3, Financial Accessibility Measures under Service Quality and Customer Relations. The aforementioned measures are regularly monitored for concrete implementation by the Company’s “Treating Customers Fairly Committee,” and are submitted to the Board of Directors for discussion and guidance.

Service Item	Description	Internal Oversight Mechanism	Service Outcome
Video e-Signature Value-Added Service	In 2022, KGI Securities launched the “Video Electronic Signature Value-Added Service” to replace traditional in-person document signing at branches, enabling customers to complete various application procedures from home via video. This innovative service offers clients three key benefits: (1) it removes time and location constraints; (2) the video connection links clients directly with the service representative, minimizing interception risks and reducing the possibility of ID forgery via photo or scan; and (3) it integrates Kdan Mobile’s “DottedSign” technology, which records IP address, timestamp, and email information at the time of signing. Combined with multiple layers of authentication, this ensures the validity and integrity of the signature and protects information security.	Regular meetings are convened by the responsible department to review the effectiveness of the implementation of various service optimization measures.	Can effectively reduce the time required for customer declaration procedures and the associated cost expenses.
Online Application Process with Dual-Factor Authentication via Internet Banking	In compliance with regulatory requirements and the advancement of financial technology, the Company has continued to optimize its online identity verification measures by introducing a dual-factor authentication mechanism through internet banking. This mechanism integrates the “ACH-based Pre-authorization Debit System (eACH)” online identity verification mechanism with the bank’s “Electronic Direct Debit Authorization (eDDA)” mechanism to simplify the customer operation process for online account opening linked to KGI e-Wallet (sub-account). This provides customers with a secure, convenient, and trustworthy high-quality service experience.	Biweekly meetings are held to review optimization needs and assess the effectiveness of the account opening process.	Simplifies the online account opening link for KGI e-Wallet (sub-account) to enhance the customer operation process, providing customers with a secure, convenient, and trustworthy high-quality service experience.
LINE Bank Cross-Industry Partnership	KGI Securities and LINE Bank (LINE Bank Taiwan) have jointly launched an inter-institutional “dual account opening” service. This strategic partnership aims to build a robust financial ecosystem, providing investors with a high-quality digital experience. LINE Bank users can log in to the LINE Bank app, navigate to the main account page, and select “Open KGI Securities Settlement Account.” This allows them to enjoy a streamlined process without the need to upload identification documents or repeatedly fill in information, enabling quick completion of securities settlement account binding and securities account application, thereby providing customers with a convenient dual-account opening service experience.	Performance is reviewed quarterly by the Sustainability Committee.	By fostering a financial ecosystem and leveraging data sharing to streamline the application process, the initiative has attracted a large number of younger clients. As of 2024, over 10,000 new accounts were opened through this channel.



## Other Digital Innovation Services

Product/Service Name	Description	Product/Service Outcome
Social Media Engagement	<ul style="list-style-type: none"><li>KGI Securities was the first in the industry to offer LINE account binding services, actively developing functions on LINE and Facebook platforms to support targeted marketing and shape the digital brokerage model. Through various social media channels, the company shares diverse and informative financial content.</li><li>Through the KGI Securities LOHAS Investor LINE Official Account, investors are provided with personalized, practical features, including:<ul style="list-style-type: none"><li>Real-time updates with images, articles, and curated KGI videos to help investors stay on top of market trends;</li><li>Easy access to breaking news and investment reports;</li><li>Integration with securities services, allowing users to view account and transaction information directly via LINE.</li><li>In 2024, the newly launched “Top Stock Picks” and “Individual Stock Weather Chart” features provide daily one-click recommendations and short-term insights to help investors save time in stock selection.</li></ul></li><li>KGI also publishes financial literacy videos on the KGI Securities LOHAS Investor YouTube channel, targeting younger audiences with product explanations and analysis to help them develop sound financial habits.</li></ul>	<ul style="list-style-type: none"><li>As of 2024, the KGI Securities LOHAS Investor LINE Official Account reached 1.97 million friends, with 67,000 users having completed account binding.</li><li>In 2024, the official Facebook account published a total of 277 posts, accumulating a fan base of 39,000 people. Post Views: 6,631,000 Reach: approximately 4.001 million Total engagement: approximately 122,000 Page views: 102,000</li><li>On the “KGI Securities LOHAS Investor” YouTube channel, financial investment videos have been published. As of December 31, 2024, a total of 1,135 videos have been released.</li></ul>
Online Customer Service	Through the “Web-Call Internet Phone” or “Smart Assistant” services, customers can directly connect to the customer service center with one click or engage in conversation with KGI's smart virtual assistant, Kelly. A variety of customer support tools are available to efficiently and promptly address client needs.	<ul style="list-style-type: none"><li>By the end of 2024, the Web-Call service had received a total of 3,800 calls.</li><li>In 2024, the Smart Assistant attracted 85,600 users who submitted 150,000 inquiries. Using machine learning, the system achieved a 94% response accuracy rate, and applied multi-turn contextual conversations and emotion detection to respond quickly to customer inquiries regarding products and services.</li></ul>
Eight Major Management Innovations Using Robotic Process Automation (RPA)	By implementing RPA, digitization, and process redesign, KGI Securities has streamlined complex administrative workflows and reduced repetitive manual tasks. This not only increases operational capacity but also enhances service quality. Additionally, to improve customer service and reduce wait times for account openings, automation has been integrated into the account opening process, significantly boosting efficiency and service quality.	As of the end of 2024, a total of 153 RPA process automation operations had been implemented across 22 departments, saving approximately 3,520 person-days of manual work annually and improving overall process efficiency by an average of 88%. Among them, in 2024, the Company and its domestic subsidiary (KGI Futures) completed a total of 42 automated processes.

Product/Service Name	Description	Product/Service Outcome
Core System Upgrade SKY Project	By introducing modern technologies such as containerization and microservices, the SKY Project takes a holistic approach across systems, organizational structure, and operational processes. This initiative has successfully enhanced system performance and organizational efficiency, delivering faster and more stable information system services to clients.	<ul style="list-style-type: none"><li>Received the “Best Core System Project in Taiwan” award from The Asset, a globally recognized financial media outlet.</li><li>Completed the containerized platform construction and the launch of shared microservice components for the first phase of infrastructure development.</li><li>Deployed the first set of microservice-based systems for the account processing platform, boosting transaction reporting performance by four times and offering highly available services through automatic scaling and dual data center architecture.</li></ul>
Digital Inclusive Finance Services	<ul style="list-style-type: none"><li>Regular Fixed Amount “Daily Deduction” Service: Investors can select any one date each month as their deduction date, providing greater flexibility for financial planning and investment management.</li><li>Developed a Regular Fixed-Amount “Shopping Cart” Feature: Designed for young investors and long-term stock savers, enabling investment orders as easily as online shopping.</li><li>Providing a customizable “Strategic Stock Selection” service: Based on different categories such as fundamentals, capital flow, or technical aspects, this allows investors to easily complete stock selection or create their own investment portfolio with one click.</li><li>Expanded micro-investment options to support young and budget-conscious investors and promote financial inclusion.</li><li>Curated investment products paired with promotional campaigns to benefit the broader investing public.</li><li>Created a dedicated section for recurring investment on the KGI Securities website, offering comprehensive information: <a href="https://www.kgi.com.tw/en/product-overview/etf-rsp-odd-lot">https://www.kgi.com.tw/en/product-overview/etf-rsp-odd-lot</a></li></ul>	As of the end of 2024, the number of accounts using the Daily Deduction Service had grown to 78,150.
Simulated Trading Feature	To help young people build stock market knowledge and understand the importance of risk awareness, the company launched a simulated trading feature in 2024 via the “Mobile eStrategy” app. This feature is the first in the country among securities firms to connect with the Taiwan Stock Exchange's real-time information, allowing users to better experience market fluctuations during simulated trading. It allows novice investors to familiarize themselves with the trading process, recognize risks, and find an investment method suitable for themselves before making actual investments, regardless of whether they are clients of KGI Securities.	In 2024, four simulated trading competitions were held through this feature: the Campus Championship, the Chunghwa Post Cup, the FarEasTone Cup, and the Taipei City University of Science and Technology Cup, attracting approximately 4,800 participants. As of December 31, 2024, the total number of registered users reached 8,700.

## Award-Winning Innovative Services

KGI Securities has long promoted a culture of information security, deeply embedding cybersecurity awareness within the organization to establish robust information security protection. Concurrently, it has developed secure and reliable digital financial services based on customer needs. Since 2019, the Compaany has implemented RPA, completing 153 automated processes by the end of 2024. The transformation spans eight major business areas: production management, HR, financial management, administration, corporate governance, risk management, regulatory compliance, and asset management. In addition to significantly improving operational efficiency, these efforts have also provided substantial benefits for the sustainable operation of the enterprise. Furthermore, in 2024, KGI Securities was honored with the Industrial and Commercial Times Trust Award, receiving the Gold Award for “Best Securities Firm Wealth Management Trust Innovation” and the Excellence Award for “Best Marketable Securities Trust Innovation.”

Looking ahead, KGI Securities will continue to prioritize optimizing customer experience and sustainable ethical corporate management. The Company will actively develop innovations in financial technology, digital services, and management, while applying RPA in practical operations. This approach aims to provide sustainable financial solutions for customers, employees, shareholders, and society. Through entrepreneurial spirit and innovative capabilities, KGI Securities aspires to realize its vision of becoming a leading financial enterprise in Asia, enabling customers to achieve financial well-being.



### Awards and Honors in 2024



Wealth Magazine Wealth Management Survey — “Best Wealth Management,” “Best Sales Team,” “Best Digital Finance,” “Innovative Trust Services,” and the “Best Public Welfare Promotion”



China Times Financial Services Awards — “Service Quality Award,” “Senior-Friendly Award,” and the “Intelligent Wealth Management Award”



Taiwan Contact Center Development Association Excellence in Customer Service Award — “Best Customer Experience,” and “Best Integrated Marketing Company”



Business Today Best Wealth Management of Banks and Securities — “Best Digital Experience,” 2nd place; “Best Smart Wealth Management,” 3rd Place



4th Commercial Times Digital Finance Awards — “Digital Information Security – Anti-Fraud Group (Gold Award)” and the “Digital Information Security – Security Group (Excellence Award)”



Commercial Times Trust Award for Diverse Trust Innovation — “Best Securities Firm in Wealth Management Trusts (Gold Award)” and the “Best Innovation in Securities Trusts (Excellence Award)”

### 3.3 Service Quality and Customer Relations

KGI Securities firmly believes that investing should be a reassuring, safe, and satisfactory experience. Therefore, the Company is committed to establishing a corporate culture that prioritizes the protection of financial consumers. Adhering to the service spirit of “fairness and empathy, treating customers as oneself,” KGI Securities strictly observes the ten principles of treating customers fairly. The Company actively fosters financial accessibility services and realizes sustainable value through ethical corporate management. Furthermore, it has been recognized in the top 25% in the FSC’s 2024 Fair Treatment of Customers Assessment.

KGI Securities is committed to protecting customer rights and enhancing service satisfaction. Since the fourth quarter of 2023, it has implemented the ISO 10002 international standard for complaint quality management, establishing a risk-oriented escalation mechanism and raising the supervisory level to Vice President to ensure maximum protection for financial consumers. In 2024, it was certified by the reputable British Standards Institution (BSI), earning recognition for its outstanding customer service quality and efforts in treating customers fairly.

Additionally, in 2024, a comprehensive review and revision of the Customer Complaint and Dispute Resolution Policy was conducted to reinforce its commitment to handling complaints and disputes seriously. The relevant internal policies regarding customer service were promptly updated, and efforts were made to implement the customer complaint and dispute resolution procedures effectively. This ensures that the principle of treating customers fairly is not merely a slogan but is thoroughly integrated into the daily work of all employees at KGI Securities.



### Customer Service Strategies and Measures

In 2024, KGI established three key customer service strategies: “Comprehensive Service Experience Enhancement,” “Insight into All Customer Segments’ Needs,” and “Strengthening Omnichannel Coverage.” By understanding customer needs and feedback, the Company continuously improved service content and quality, prioritizing customer experience and delivering friendly, professional service to every client.



#### Comprehensive Service Experience Enhancement

- Implemented the ISO 10002 Customer Complaint Quality Management System and obtained certification approval from BSI.
- Strengthened digital competencies of customer service staff through training and regular reviews of response quality.
- Held regular complaint management meetings to analyze root causes and continuously improve related processes and service quality.
- Continued focus on NPS and customer satisfaction.
- Planned training programs to enhance the professional knowledge of frontline staff, improve responsiveness to customer inquiries, and ensure regulatory compliance.



#### Insight into All Customer Segments’ Needs

- Promoted inclusive financial products and services to enhance the overall trading experience.
- Expanded micro-investment options to support young and budget-conscious investors and promote financial inclusion.
- Curated investment products paired with promotional campaigns to benefit the broader investing public.



#### Strengthening Omnichannel Coverage

- Continued to streamline the online account opening process, offering a safer, more convenient, and trustworthy service experience.
- Continuously enhanced the “Mobile eStrategy” trading app to improve the overall trading experience and service functions.
- Expanded customer reach through cross-industry partnerships, developing a financial ecosystem supported by diverse channels, digital content, and strategic collaborators.

Before offering financial products or services and entering into agreements, KGI Securities requires business units to assess each client's risk tolerance and classify them as low, medium, or high risk. Products are then matched to the client's risk profile. For transactions not conducted in person, a follow-up call is made to check in with the client. In order to further strengthen the protection of the rights and interests of elderly customers, their understanding of product risks is confirmed before processing any investment instructions made by them. The Company has also launched a senior care program, implemented a cooling-off mechanism for KYC reassessment, and established the Customer Complaint and Dispute Resolution Policy to safeguard client rights.

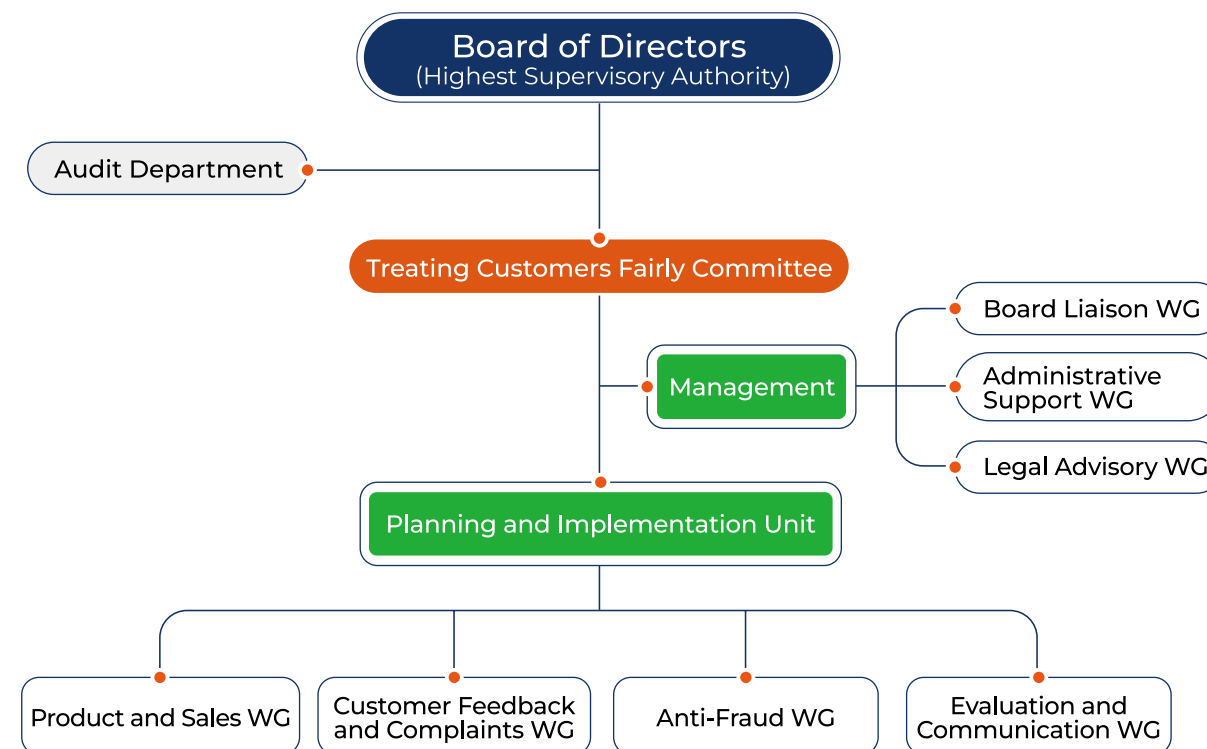
To align with the growing popularity of ETF investments, KGI Securities became an industry leader in 2024 by launching the "Professional ETF Advisor Certification Training Program." This initiative is in collaboration with the Securities and Futures Institute. The program aims to enhance the professional knowledge and market judgment capabilities of KGI Securities' sales team in the ETF sector, assist investors in establishing a more accurate and comprehensive understanding of ETF investments, and provide higher quality and more professional services to investors who favor ETF investments.

## Principles for Treating Customers Fairly

KGI Securities established the "Treating Customers Fairly Committee" in 2022, actively integrating the concept of treating customers fairly into the corporate culture. Led by the Board of Directors, various action plans for this concept are promoted. Through the "Customer Feedback and Complaints WG" established under its jurisdiction, mechanisms for managing and analyzing customer complaint cases have been formulated. Regular reports and reviews of these cases are submitted to the committee and the Board of Directors, with particular attention given to handling and improving complaint cases involving elderly clients.

In order to promptly and effectively handle customer complaints and disputes, in 2024, we further implemented the ISO 10002 International Standard for Complaint Quality Management Systems. The complaint handling system was upgraded with a risk-based escalation mechanism, and oversight responsibility was elevated to the Vice President level, with hopes that through the diligent supervision of the management team, the maximum rights and interests of financial consumers will be effectively protected.

### ■ Treating Customers Fairly Committee Structure





■ Ten Principles for Treating Customers Fairly

No.	Principle	Summary of Implementation Strategies
I.	Fairness and Integrity in Contracting	<ul style="list-style-type: none"><li>Fees should reflect operating costs, transaction risks, and reasonable profit, and must not be used as an unfair means to attract business.</li><li>Contracts with clients must follow principles of fairness, equality, reciprocity, and integrity. In case of ambiguity, contract terms should be interpreted in the client's favor.</li></ul>
II.	Duty of Care and Loyalty in Providing Financial Products or Services	<ul style="list-style-type: none"><li>When offering financial products or services, the Company must exercise the duty of care of a prudent manager.</li><li>For products or services involving trust or fiduciary responsibilities, the Company must fulfill its duty of loyalty in accordance with applicable laws or contractual terms.</li></ul>
III.	Ensuring Truthfulness in Advertising and Solicitation	<ul style="list-style-type: none"><li>Advertisements, solicitations, and promotional activities must not involve falsehoods, fraud, concealment, or any content that may mislead others. The accuracy and truthfulness of advertising content must be ensured.</li><li>Disclosures regarding potential returns and risks of securities must be presented fairly and prominently. Regulatory approval for conducting business must not be misrepresented as a government guarantee of the securities.</li></ul>
IV.	Ensuring Suitability of Financial Products or Services	<ul style="list-style-type: none"><li>Before entering into a contract to provide financial products or services with a client, it is necessary to thoroughly understand the client's relevant information, including basic data, investment knowledge, investment experience, financial status, and their capacity to bear investment risks, in order to ensure the suitability of the product or service for the client.</li></ul>
V.	Providing Full Disclosure of Product/Service Details and Risks	<ul style="list-style-type: none"><li>Before entering into a contract with a client for the provision of financial products or services, the client must be fully informed in writing or by other means that the client can fully understand. This explanation should cover the transaction costs, potential returns, and risks associated with the financial products, services, and contract, including all important content related to the client's rights and interests. Additionally, the risks and key precautions must be thoroughly disclosed.</li></ul>
VI.	Balanced Consideration of Compensation and Performance	<ul style="list-style-type: none"><li>The remuneration system should fairly consider client interests and the potential risks that financial products or services may pose to both the firm and clients. Performance targets alone must not be the sole basis for determining employee compensation.</li></ul>
VII.	Fair, Reasonable, and Effective Handling of Customer Complaints	<ul style="list-style-type: none"><li>Customer complaints must be handled fairly, reasonably, and effectively to protect client rights.</li><li>Complaints regarding financial consumer disputes should be properly addressed within 30 days from receipt, with results communicated back to the complainant.</li></ul>
VIII.	Sales Personnel Must Have Required Professional Qualifications	<ul style="list-style-type: none"><li>KGI Securities' responsible officers and sales personnel must obtain the legally required professional qualifications before performing their duties.</li><li>Sales personnel must participate in pre-employment and on-the-job training as prescribed by the FSC or its designated institutions.</li></ul>
IX.	Consideration of Friendly Service Principles in Providing Financial Products or Services	<ul style="list-style-type: none"><li>The Company shall offer appropriate financial accessibility services tailored to the individual needs of persons with disabilities.</li><li>Barrier-free facilities or dedicated staff services should be provided at business locations.</li><li>Throughout all stages of financial product and service design and sales—including ideation, development, testing, launch, sales, and review—consideration should be given to the needs of elderly and disabled customers.</li></ul>
X.	Implementing the Principle of Ethical Corporate Management	<ul style="list-style-type: none"><li>Promote a culture of ethical corporate management from the top down, and proactively plan and implement relevant measures according to the characteristics of the business, such as accountability systems, employee codes of conduct, conflict of interest prevention measures, provision of appropriate reporting channels, disciplinary actions for violations, and grievance procedures.</li><li>Establish an effective internal control system, and have the internal audit unit formulate relevant audit plans based on the assessment results of the risk of dishonest conduct. These plans shall be used to audit and monitor compliance with measures designed to prevent dishonest conduct.</li></ul>

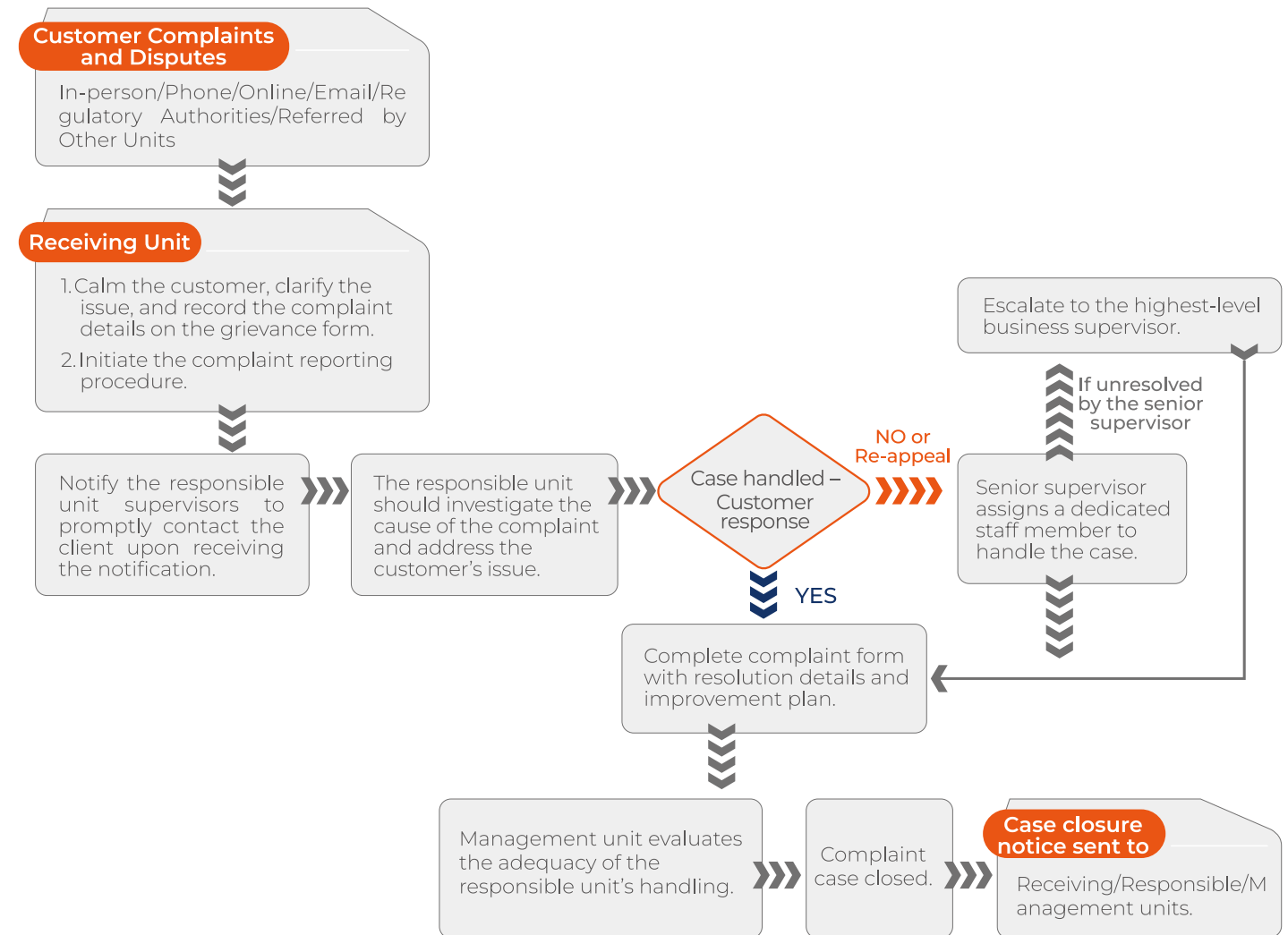
## ■ Customer Complaint Handling

KGI Securities has established a comprehensive Customer Complaint and Dispute Resolution Policy and a customer service center platform. After the customer service center or branch office receives customer feedback, the complaint details must be thoroughly documented and immediately reported to the unit supervisor on the same day. The branch manager receiving the complaint must contact the customer within 30 minutes to soothe concerns and understand their demands, then promptly respond with the handling results. The Brokerage and Wealth Management Department also holds monthly customer complaint review meetings chaired by its department head with regional supervisors in attendance. The branch manager under complaint explains and reviews each case. If issues relate to staff attitude, operational procedures, or systems, improvement measures must be proposed and tracked to ensure effective resolution of customer complaints. Additionally, after phone service is completed, the customer service center conducts random customer satisfaction surveys as a reference for service improvement. Regular case briefings and staff training are conducted to continuously optimize customer service quality.

In addition, KGI Securities provides multiple public contact channels for customer inquiries and feedback, including a customer service hotline at 02-2389-0088, a toll-free number 0800-085-005, an online text-based customer service (webchat), and an email address service1@kgi.com. When handling customer feedback, staff are expected to adopt a sincere attitude, fully understand the core issues or causes of complaints, and strive to address them promptly. If necessary, relevant data or evidence will be reviewed, and active coordination and communication will be conducted to formulate a resolution plan, which will then be explained to the customer. If customers have doubts or refuse to accept, we will reexamine the cases to see if they are handled appropriately and make every effort to seek reasonable solutions, so that the disputes can be closed in harmony.

The Company's official website also features a "Customer Service Center" button, allowing customers to easily access information on account opening and trading procedures, various trading platform introductions/tutorials/component downloads, FAQs, and customer service contact information. Customer service representatives, together with sales personnel at branches across Taiwan, proactively and regularly solicit customer feedback to understand satisfaction levels and needs, ensuring efficient responses and improvements. In 2024, the first-call resolution rate at the customer service center reached 99.6%, demonstrating its effectiveness and prompt assistance in clarifying and resolving customer issues.

## ■ Customer Complaint Handling Process



■ Implementation Results of Treating Customers Fairly

KGI Securities places great importance on the implementation of the principle of treating customers fairly. The Company regularly organizes and promotes various mandatory and elective courses and seminars related to this principle, such as the “Legal Education and Training Course for Practitioners.” The content covers the principle of treating customers fairly, regulations related to financial consumer protection, customer complaints and dispute resolution, significant penalty cases, and legal advocacy. Furthermore, it requires that all directors and responsible personnel participate in the relevant courses.

In 2024, two internal courses on treating customers fairly were conducted both online and in person. The 2024 curriculum was expanded to include topics such as Financial Accessibility and the rights of persons with disabilities as outlined in the Convention on the Rights of Persons with Disabilities. The courses totaled 3 hours each, with 2,702 participants completing the training (including 22 directors, responsible officers, and external participants), amounting to a total of 8,154 training hours.

In addition to internal implementation, the Company is committed to enhancing customer experience and improving service quality. It has implemented a Net Promoter Score (NPS) management system at key service touchpoints—including its official website, digital trading app, counter services, account opening process, and customer service center—systematically transforming customer feedback into actionable initiatives. In the 2024 NPS survey of Taiwan's securities industry overall and digital tools segment, KGI Securities was honored as the dual champion.

In addition, KGI Securities' customer service was honored in 2024 with the “2024 CSEA Excellence in Customer Service Awards” by the Taiwan Contact Center Development Association, receiving both the Best Customer Experience Award and the Best Integrated Marketing Award in the corporate category. As the only securities firm recognized in 2024, KGI Securities will uphold the spirit of these awards by continuously enhancing its diversified customer service approaches and service quality, striving to elevate the customer experience for every client.

■ Financial Accessibility Measures and Outcomes

Project Name	Implementation Details	Results
Service Etiquette SOP Guidelines	<ul style="list-style-type: none"><li>KGI Securities fully recognizes the importance of etiquette and service, aiming to provide customers with professional, attentive, and warm service. Therefore, the company has established the Service Etiquette SOP Guidelines for its branches, implementing education and training on service etiquette as well as customer complaint and crisis management. Additionally, each branch employee is provided with a “Service Etiquette SOP Pocket Card” to assist staff in becoming familiar with the SOP procedures for service etiquette. The SOP covers customer service management, service mindset, dress code, smiling and greeting etiquette, telephone etiquette, external visit etiquette, and customer handling skills.</li><li>In 2024, a new “Branch Etiquette SOP Self-Inspection Checklist” was introduced to review implementation monthly.</li><li>Additionally, a Branch Service Etiquette Mystery Shopper Program was planned and executed, establishing an external mystery shopper audit system. Using inspection checklists agreed upon with a consulting firm, onsite service audits were conducted at 69 KGI Securities branches across Taiwan's main island to assess service quality, meet customer expectations, improve service quality, enhance competitiveness, and continuously optimize in-person service NPS performance.</li></ul>	<ul style="list-style-type: none"><li>The Branch Service Etiquette Mystery Shopper Program was successfully implemented 100%.</li><li>The average mystery shopper audit score for branches was 82 points, showing a significant improvement over the 2023 average of 76 points.</li><li>In the overall NPS survey of Taiwan's securities industry, KGI Securities ranked first.</li></ul>
Customer Service System	<ul style="list-style-type: none"><li>Intelligent customer service now fully covers digital touchpoints such as online account opening and electronic trading systems, allowing customers to search for answers by entering keywords.</li><li>The online trading platform and account opening process have added an online customer service Webcall feature.</li><li>Added intelligent customer service hyperlinks and image-based formats to improve readability when responding to inquiries.</li><li>During customer service staff training, emphasis is placed on utilizing the Company's digital resources, aiming for customer service representatives to resolve customer issues within a single call.</li></ul>	<ul style="list-style-type: none"><li>In 2024, the customer service center achieved a first-call resolution rate of 99.6%.</li><li>The number of inquiries handled by the intelligent customer service system reached 150,000 in 2024.</li></ul>
Multilingual Services	<ul style="list-style-type: none"><li>Branches located in the six municipalities are staffed with at least one to two employees capable of providing services in English, based on branch size or business needs.</li><li>Online customer service representatives communicate in multiple languages, including Mandarin, Hakka, and Taiwanese, to enhance customer understanding.</li></ul>	A total of 31 branch offices provide English-language services.

In addition to the aforementioned financial accessibility measures, KGI Securities is fully committed to creating an environment with seamless information access and unobstructed communication. The Company collaborates with external professional teams such as the Taiwanese Association of Sign Language Interpreters and the Taipei Parents' Association for the Visually Impaired. It also pays close attention to the rights and interests of the elderly and disadvantaged groups, actively addressing their digital divide and continuously optimizing various accessibility measures in its business premises. Leading the industry, KGI Securities became the first securities firm to receive the “Visually Impaired Accessible APP Certification,” and offers features like text-based intelligent customer service, voice reading, and voice input functions to assist elderly and disadvantaged groups in meeting their investment needs. Moving forward, the Company will continue to refine and develop related measures to safeguard the financial service rights of vulnerable populations.

Implementation Measures	Implementation Details
Optimize Financial Accessibility Service Section on Official Website	<ul style="list-style-type: none"><li>Live Online Text Customer Service: This service assists friendly groups such as individuals with hearing impairments and speech disabilities by allowing them to submit account opening requests, service applications, and data change inquiries through typed text descriptions, receiving real-time responses online.</li><li>Online Phone Customer Service (Web-Call): Customers can use mobile devices or computers to access online personalized customer service via internet phone calls, which saves on call charges and increases convenience.</li><li>The Company's official website financial accessibility service section has obtained the "Accessibility Certification." The website features a font size adjustment option on all pages, enabling users to enlarge or reduce text to meet the needs of various friendly user groups, enhancing readability.</li></ul>
KGI LOHAS Investor YouTube Channel	<ul style="list-style-type: none"><li>Through the online media platform, the Company provides easy-to-understand video tutorials covering topics such as how to use our official website and various apps. This allows elderly users and other vulnerable groups to access our services without leaving home. For additional questions, customers can also reach out via our toll-free online customer service or call our customer service hotline.</li></ul>
The "Mobile eStrategy" App Launches Accessibility Features for Vulnerable Groups	<ul style="list-style-type: none"><li>KGI Securities collaborated with the Taipei Parents' Association for the Visually Impaired to gain an in-depth understanding of the needs of visually impaired users of mobile apps. This led to a commitment to independently develop and optimize the "Mobile eStrategy" app, enabling visually impaired users to smoothly complete each step with clear voice guidance, check stock market information, and conduct trades.</li><li>Upholding a "customer-centric" philosophy, KGI Securities is committed to digital innovation that transforms the darkness before visually impaired users into audible responses, integrating investment management into their daily lives. The "Mobile eStrategy" app has also received the "App Accessibility Certification" from the Taipei Parents' Association for the Visually Impaired, making KGI Securities the first securities company in Taiwan to obtain this professional certification.</li><li>In 2024, the "AI Assistant" was introduced, using a humanized interface to provide not only text analysis and forecasts but also voice output, enabling visually impaired users to access investment information easily.</li></ul>
Senior Care Program	<ul style="list-style-type: none"><li>Proactively provides care for customers aged 65, as well as monitoring specific product-related events. We segment clients by risk profile (aggressive, moderate, conservative) and ensure they understand the status of their assets held with the Company before providing investment advice. Relevant market information is also provided to our sales staff to support their engagement with senior clients.</li><li>A "Senior-Friendly Customer Service Hotline Fast Track" has been established for individuals aged 65 and above. By simply pressing 0 after dialing the KGI Securities customer service hotline, callers will be connected to a dedicated representative who provides attentive service. This not only saves time by eliminating the need to input personal identification information and listen to voice prompts but also allows communication in the customer's preferred language, offering senior customers a convenient and reassuring service experience.</li><li>Industry-leading AI text-based intelligent customer service features allow users to enlarge chat text with one click for easier reading on mobile devices. For those unfamiliar with typing, voice recognition functionality is also available, providing diverse smart service options for seniors.</li><li>In 2024, the care program completed approximately 5,000 care contacts per quarter with a 100% completion rate. The senior-friendly hotline received over 8,400 calls during the year.</li></ul>
Protective Measures for Persons with Disabilities	<ul style="list-style-type: none"><li>Friendly Service Process for Vulnerable Groups:<ul style="list-style-type: none"><li>The Company has introduced sign language interpretation services from the Taiwanese Association of Sign Language Interpreters. Hearing-impaired customers can request sign language services during business hours at branch offices. Depending on the type of service applied for, hearing-impaired customers will be arranged to have simultaneous translation on-site via video conference by licensed professional sign language interpreters; alternatively, customers can make an online reservation for an in-person interpreter at branch offices.</li><li>Developed clear procedures for account opening for blind, visually impaired, illiterate, or physically disabled customers who cannot sign documents. This includes specifying that two witnesses must be present, outlining their responsibilities, the company's staff notification duties, and special handling procedures when customers cannot sign or stamp.</li><li>Business staff record significant illness or disability notes during KYC (Know Your Customer) checks to provide appropriate services in the future.</li><li>Based on the Financial Supervisory Commission's letter No. 1130341102 dated July 17, 2024, regarding practical guidelines for securities firms serving customers with dementia or suspected dementia, explanatory documents for front and back office staff were completed by September 18, 2024.</li></ul></li><li>Accessible Hardware and Software Services:<ul style="list-style-type: none"><li>Hardware: All branches are equipped with accessibility facilities, with the configuration status displayed on the official website; coverage continues to increase.</li><li>Software: Achieved Level A certification under the Web Content Accessibility Guidelines (WCAG) 2.0.</li></ul></li><li>Accessibility Environment Certification: Following the Hukou Branch's achievement in 2023 as the first securities firm to obtain the Barrier-Free Environment Certification for business premises from the Duofu Barrier-Free Life and Transportation Development Association, the Xinfeng Branch obtained certification in 2024. The association conducts assessments and provides guidance to ensure branches meet accessibility standards.</li><li>Accessible Hardware and Software Services:<ul style="list-style-type: none"><li>Coverage continues to increase across branches, including: accessible ramps (60%), restrooms (44%), parking spaces (23%), elevators (50%), counters with a height below 120 cm friendly to wheelchair users (94%), and all counters equipped with reading glasses for seniors. Additionally, all 17 branches on the first floor have 100% installation of "call bells" for assistance.</li><li>Achieved Level A certification under the Web Content Accessibility Guidelines (WCAG) 2.0.</li></ul></li></ul>

■ Anti-Fraud Measures

Due to the frequent occurrence of fraud cases in recent years, the Company has established a cross-departmental “Anti-Fraud WG” along with corresponding fraud prevention reporting and communication mechanisms. These include a unified reporting, identification, and feedback handling system, incorporated into the Treating Customers Fairly and Anti-Fraud Plan, to establish horizontal communication channels within the organization. The Company has adopted diversified measures to prevent fraud, including: formulating financial fraud prevention measures, implementing the “Three Questions and One Care” policy at service counters, establishing related internal regulations to execute a senior citizen care project, strengthening front-line customer fraud prevention measures, and enhancing the warning mechanism for discretionary accounts. The Treating Customers Fairly Committee of the Company regularly monitors the implementation of these mechanisms and submits them to the Board of Directors for discussion and guidance.

In 2023, an Anti-Fraud Information Section was launched on the Company’s official website (<https://www.kgi.com.tw/zh-tw/anti-fraud>). This section outlines various fraud methods and patterns, how to identify accurate information, and the procedures and resources available when encountering fraud incidents. By strengthening public awareness, the company aims to combat fraudulent activities and safeguard clients’ assets. In 2024, the following updates were added to the Anti-Fraud Information Section:

- “Identifying the Correct Website, Trading Platform, and Official Accounts of KGI Securities:” Assisting clients in accurately recognizing the official channels of KGI Securities;
- “Response Methods and Related Resources for Encountering Fraud:” Provides procedures for handling fraud cases, including reporting procedures and consultation channels, tailored to customer needs and consolidating additional anti-fraud resources;
- New “Latest Announcements” Section with Anti-Fraud Tag: Adds a dedicated “Anti-Fraud” label to help users quickly browse important fraud-related updates.
- Anti-Fraud Page Links Added to Intelligent Customer Service and Trading Platforms: Provides convenient access for clients to learn about common fraud tactics, how to respond, and where to report or seek help.

The aforementioned anti-fraud measures were awarded the **Digital Financial Award – Gold Award in Digital Information Security, Anti-Fraud Category, by the Commercial Times, and the Outstanding Award in the 2024 Anti-Fraud Evaluation for Securities Firms by the Taiwan Stock Exchange.**

In addition to establishing an anti-fraud section on our website, the Company conducts anti-fraud awareness campaigns through various platforms and channels. These include sending reminders via LINE and Facebook, posting anti-fraud information on the official website and electronic trading platforms, organizing awareness activities during campus recruitment, hosting online investment seminars, playing promotional videos at shareholder meetings, collaborating with the National Police Agency to produce anti-fraud videos on the official “KGI Securities LOHAS Investors” YouTube channel, and holding related lectures. The Vice Chairman personally serves as a lecturer to share practical anti-fraud experience and case studies, and the Company regularly holds internal anti-fraud education and training sessions.

Externally, a total of **182** anti-fraud events have been held, with **171,230** participants. Internally, **40** regular anti-fraud training sessions have been conducted, with a total of **64,047** participants.





# 4 Employee Care and Excellence in the Workplace

70 4.1 Human Resources Overview

73 4.2 Talent Retention and Development

75 4.3 Workplace Health and Safety

The Company shall comply with relevant laws and regulations to safeguard employees' legitimate rights and interests, and adhere to internationally recognized labor and human rights standards. Furthermore, the Company shall ensure that its human resources policies are free from discrimination and unequal treatment, establish a fair and transparent grievance mechanism, and foster a workplace culture of equality and respect.

# Employee Care and Excellence in the Workplace

KGI Securities regards its employees as its most valuable asset. To enhance corporate operating performance and pursue sustainable development goals, the Company prioritizes talent cultivation and the strengthening of human capital. In addition to providing required management and professional training, KGI offers diverse learning opportunities to help employees build key competitive skills. Training topics also extend to ESG engagement and developing talent for sustainable finance. In recent years, KGI Securities has achieved remarkable results in employee care, earning recognition as an age-friendly enterprise in the 2nd Taipei City Certification for Middle-aged and Senior-Friendly Employers, and receiving the 2024 Gold Award for “Happiest Companies” from 1111 Job Bank (fourth consecutive year). This reflects KGI Securities' commitment to the operational strategy of being the "Employer of Choice," continuously providing employees with a higher quality working environment.



## 4.1 Human Resources Overview

### 4.1.1 Workforce Composition and Diversity & Inclusion

Regardless of gender, nationality, age, or job level, KGI Securities regards every employee as a vital partner in the Company's sustainable development. As of the end of 2024, KGI employed a total of 4,464 individuals across its domestic and overseas operations, including both full-time employees and non-employee workers. Currently, the overall proportion of female employees exceeds that of male employees. Additionally, the hired staff includes indigenous peoples, persons with disabilities, and foreign nationals. The Company actively establishes a workplace environment characterized by gender equality and diversity, including those with disabilities, indigenous heritage, or foreign citizenship.

#### ■ Employment Contracts, Gender, and Regional Distribution of All Employees

Region	Employment Type	Number of People				Percentage of Total Workforce (%)
		Male	Ratio (%)	Female	Ratio (%)	
Taiwan	Full-time Employee	1,318	96.56%	2,193	98.74%	78.65%
	Contract Employee	31	2.27%	11	0.50%	0.94%
	Non-Employee – Temporary staff and others	13	0.95%	14	0.63%	0.60%
	Non-Employee – Contracted personnel	3	0.22%	3	0.14%	0.13%
	Subtotal	1,365	100.00%	2,221	100.00%	80.33%
Overseas Regions	Full-time Employee	264	51.87%	245	66.40%	11.40%
	Contract Employee	10	1.96%	5	1.36%	0.34%
	Non-Employee – Temporary staff and others	0	0.00%	0	0.00%	0.00%
	Non-Employee – Contracted personnel	235	46.17%	119	32.25%	7.93%
	Subtotal	509	100.00%	369	100.00%	19.67%

Non-employee workers include interns, atypical hires such as temporary staff (such as shareholder services personnel, cafeteria chefs, and drivers), and outsourced service personnel (such as cleaning staff and facilities maintenance personnel).

Gender, Age, and Job Level Distribution of Full-Time Employees

Gender	Male			Female		
Age	29 and under	30-49	50 and above	29 and under	30-49	50 and above
Management	2	123	129	1	109	164
Non-management	273	755	341	306	1,002	872
Subtotal	275	878	470	307	1,111	1,036
Percentage of Total Male/Female Full-Time Employees (by Gender)	16.94%	54.10%	28.96%	12.51%	45.27%	42.22%

Educational Background of Full-Time Employees

Region	Employment Type	PhD	Master's	Bachelor's	Junior College	High School (or below)
Taiwan	Management	3	196	155	55	16
	Non-management	3	522	1,602	630	379
	Subtotal	6	718	1,757	685	395
Overseas Regions	Management	0	29	58	9	7
	Non-management	0	67	230	42	74
	Subtotal	0	96	288	51	81

Female Employee Composition

	Number of People	Percentage
Female employees as a percentage of all non-managerial staff	2,454	60.2%
Female managers as a percentage of all managerial staff	274	51.8%
Female first-level managers as a percentage of all first-level managers	149	61.1%
Female mid-level managers as a percentage of all mid-level managers	108	45.0%
Female senior managers as a percentage of all senior managers	17	37.8%
Female managers in revenue-generating departments	110	43.8%
(excluding back-office units such as HR, IT, and Legal)	215	38.4%
Female employees in STEM roles (Science, Technology, Engineering, and Mathematics) as a percentage of all STEM staff		

Note: Management positions are further classified as follows: Senior management refers to grade level 15 and above; mid-level management refers to grade levels 12–14; first-level management refers to grade levels 10–11.

Diverse Workforce Composition

Minority Staff	Number of People		Percentage of All Full-Time Employees (%)
	Taiwan	Overseas	
Employees with Physical Disabilities	31	0	0.8%
Indigenous Peoples	14	0	0.3%

Ethnic Group	Number of Non-Managerial Employees	Percentage of All Non-Managerial Employees (%)	Number of Managerial Employees	Percentage of All Managerial Employees (%)	Total	Percentage of All Full-Time Employees (%)
Asian – Taiwanese	3,148	88.7%	429	81.2%	3,577	87.7%
Asian – Non-Taiwanese	395	11.1%	94	17.8%	489	12.0%
Caucasian	3	0.1%	2	0.4%	5	0.1%
Other ethnic groups	3	0.1%	3	0.6%	6	0.2%
Total	3,549	100.0%	528	100.0%	4,077	100.0%

To support and promote human rights, in 2023 the Company drafted and adopted KGI Securities’ Human Rights Policy, referencing key international human rights instruments, 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 International Labor Office Tripartite Declaration Of Principles. The policy aims to prevent any form of human rights infringement and reflects the Company’s commitment to respecting, supporting, and protecting human rights. The Company is also committed to raising awareness of the importance of human rights, strengthening employee awareness, and increasing communication and management of diversity, equity, and inclusion. In 2024, human rights policy training was conducted for new employees, with a total of 323 participants. Additionally, company-wide advocacy on the Human Rights Policy and DEI-friendly workplace reached 3,169 employees.

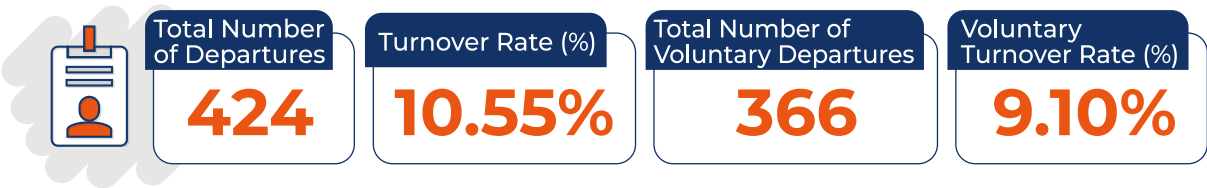
### 4.1.2 Talent Recruitment

In response to the digital transformation and innovation in the financial industry, KGI Securities has continuously advanced various learning programs in recent years, offering digital courses, online seminars, and online training programs through diverse digital channels. Additionally, the Company has expanded its Management Associate (MA) and Brokerage MA (BMA) elite talent development programs for brokerage services, attracting outstanding talents from the financial sector. This initiative aims to enhance corporate operating performance and pursue sustainable development goals.

#### 2024 New Employee Information (by Region, Gender, and Age)

New Employees		Taiwan	Overseas Regions	Total
Gender	Male	338	44	382
	Female	307	46	353
Age	29 and under	342	38	380
	30-49	260	46	306
	50 and above	43	6	49

#### 2024 Employee Turnover Information



#### 2024 Employee Turnover by Region, Gender, Age, and Job Level

		Number of Departures	Turnover Rate (%)
Region	Taiwan	339	8.43%
	Overseas	85	2.11%
Gender	Male	216	5.37%
	Female	208	5.17%
Age	29 and under	99	2.46%
	30-49	219	5.45%
	50 and above	106	2.64%
Level	Non-management (General Staff)	363	9.03%
	First-level Manager	27	0.67%
	Mid-level Manager	29	0.72%
	Top Manager	5	0.12%
Total		424	10.55%

Note:

1. The total number of employees in 2024 is based on the count as of December 31, 2024, with 4,020 full-time employees.

2. The turnover rate is calculated as the total number of resignations in the category divided by the total number of employees. For example, the turnover rate for Taiwan is 339/4,020 = 8.43%.

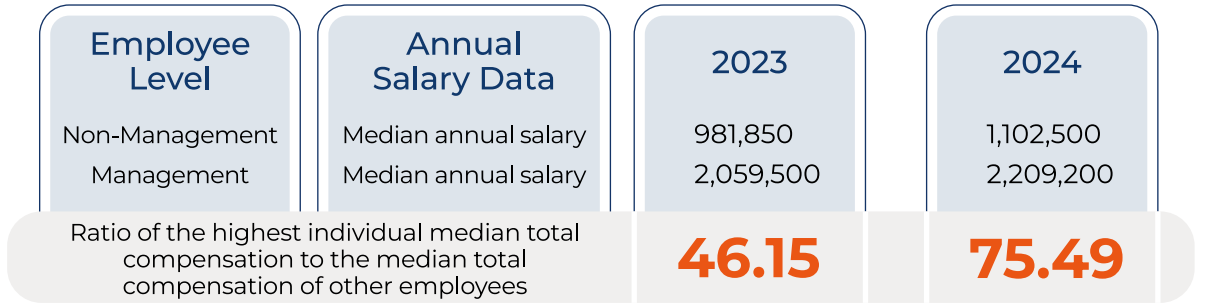
## 4.2 Talent Retention and Development

### 4.2.1 Talent Retention

#### Employee Compensation System

KGI Securities determines annual bonuses based on the Company’s overall operating performance and the individual performance evaluation results of employees. Each year, the Company participates in market salary surveys and incorporates external market data and analysis as references in formulating its compensation system. This approach ensures competitive salaries and rewards employees appropriately for their contributions. The average salary increase was 2.0% in 2023 and 2.1% in 2024.

■ Salary and Highest Individual Compensation Ratios for Full-Time Employees at Managerial and Non-Managerial Levels



Note: Due to differences in market structures and price indices between Taiwan and overseas regions, and since the compensation structure is primarily determined based on the aforementioned factors, compensation data disclosure is currently limited to Taiwan only to avoid misinterpretation. The Company will continue to explore methods for disclosing compensation systems in overseas regions to enhance transparency in the ESG report.

■ 2024 Gender Pay Ratio of Management and Non-Management Employees

Region	Employee Level	Median Base Salary		Gender Pay Ratio (Female:Male)
		Male	Female	
Northern Region	Non-Management	46,500	41,100	0.88
	Management	97,000	85,000	0.88
Central Region	Non-Management	35,000	37,250	1.06
	Management	83,000	59,200	0.71
Southern Region	Non-Management	36,000	43,000	1.19
	Management	93,000	66,100	0.71
Eastern Region	Non-Management	37,000	35,000	0.95
	Management	93,000	50,850	0.55

Note: The regional distribution information in this chapter is based on Taiwan’s administrative divisions, categorized as Northern, Central, Southern, and Eastern Regions. The counties and cities 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

### 4.2.2 Employee Training and Development

KGI Securities, in line with its digital transformation and sustainability transition plans as well as its diverse business nature, provides employees with a wide range of learning and training resources. Employees are encouraged to fully utilize these abundant internal resources to enhance their functional skills and professional capabilities. This initiative aims to address industry transformation trends and support the diverse career development needs of individuals. In 2024, the company invested a total of NT\$19,216,548 in training expenses, aiming to help employees continuously improve and enhance their competitiveness, growing together with the Company. Additionally, the Company has integrated digital platforms and app systems into its employee training mechanisms, allowing each employee to access their learning plans more quickly and conveniently. This enhances and strengthens employees’ professional competencies. Regular reviews of digital business effectiveness are also conducted to ensure training outcomes are realized.



■ 2024 Average Training Hours by Gender and Employee Type

Employment Type	Gender		Job Level		Average Number of Hours
	Male	Female	Non-Management	Management	
Hours of Training	102,412.8	59,567.7	127,976.71	34,003.8	50.3 hrs.

■ 2024 Training Program Content

Category	Training Course Title	Target Audience
Leadership and Management Training	The Four Core Duties of Outstanding Leadership	Department Managers/Supervisors and above
	Six Key Elements of Leading Teams	Department Managers/Supervisors and above
	Competency-Based Interviewing Skills	Department Heads (Branch Sales Supervisor) and above/ Management Trainees
	Agile Transformation	Department Heads (Branch Sales Supervisor) and above/ Management Trainees
	Cross-Generational Workplace Communication	Department Heads (Branch Sales Supervisor) and above/ Management Trainees
	New Manager Training	Department Heads (Branch Sales Supervisor) and above/ Management Trainees
Functional/Professional Training	Eight Key Points and Four Steps of Agile Methodology	All Employees
	Problem Analysis and Resolution	All Employees
	Customer Service and Complaint Handling	All Employees
	Consultative Sales Techniques	All Employees
	Applications of AI in the Financial Industry	All Employees
	High Emotional Intelligence and Mindful Communication Skills	All Employees
Digital Self-Learning Platform, Statutory Licenses, and General & Legal Compliance Courses	Hahow Digital Learning Platform	All Employees
	Pre-employment and On-the-job Training for Securities, Futures, Trust, Wealth Management	All Employees
	Anti-Money Laundering, Information Security, and Personal Data Protection Training	All Employees
Sustainable Finance Related Courses	Trends in Sustainable Development and Governance	All Employees
	Fundamentals of Sustainable Finance	All Employees
	Trends, Regulations, and Practical Insights in Sustainable Finance	All Employees

Employee Performance Evaluation

KGI Securities conducts a performance evaluation process annually for 100% of its employees, following a three-stage management system:1. setting annual goals at the beginning of the year, 2. conducting mid-year performance goal assessments and adjustments, and 3. year-end self-evaluations along with supervisors' annual performance reviews and performance interviews. During the year-end performance interviews, in addition to supervisors assessing various performance metrics, direct supervisors will engage in performance discussions with employees. This approach avoids evaluating employee performance solely based on hard data, instead fostering a positive cycle through two-way communication and feedback. After conducting evaluations based on their authority and responsibilities, department heads implement performance management and improvement measures. If employees have any objections to the performance results, they may directly report them to the Human Resources Department. HR will investigate the situation and coordinate with both the employee and the department supervisor to resolve the matter. The employees' performance evaluation results will serve as a reference for the annual performance bonus, promotion, salary adjustment, and employee career development planning. Additionally, KGI Securities is preparing to implement the Guidelines for Employee Performance Improvement, under which employees with unsatisfactory performance will undergo in-depth interviews to identify issues. They will be provided with specific improvement plans and coaching, and their progress will be reviewed regularly. Further support will be offered if necessary to help close capability gaps and enhance performance.




## 4.3 Workplace Health and Safety

### 4.3.1 Employee Care


KGI Securities believes that employees are the driving force behind the company's growth. Enhancing their health and well-being is a key corporate responsibility. In addition to offering competitive compensation and benefits, as well as leave policies that exceed the Labor Standards Act, the Company also offers various insurance benefits and personal care for employees. The Company also continually improves the workplace environment to ensure the highest level of employee care.

#### ■ Diverse Employee Benefits




Comprehensive Protection

Term life insurance, accident insurance, cancer medical insurance, hospitalization insurance, occupational accident insurance




Personal Support

Assistance for marriage, bereavement, medical needs, emergencies; monetary gifts for weddings, funerals, and birthdays




Facilities

Discounts for swimming pools and gyms; breastfeeding rooms




Parental Support

Childbirth gifts, scholarships for employees' children, emergency relief funds



Physical & Mental Well-Being

Free lunch, taxi booking service, subsidies for club activities and department outings, diverse physical and mental wellness programs



Financial Wellness

Employee Trust Shareholding Plan, online seminars on financial wellness

### Supportive Leave Policies

In addition to complying with regulatory requirements, KGI Securities offers maternity leave, paternity leave, and paternity medical leave that exceed the standards set by the Labor Standards Act. This provides employees with comprehensive and generous benefits allowing them to balance their family and work responsibilities. Furthermore, the Company provides birthday leave, health check-up leave, and volunteer leave. These benefits encourage employees not only to work diligently but also to maintain their health and actively participate in sustainable volunteer services, fostering a harmonious and supportive workplace culture.

Leave Type	Days	Paid/Unpaid	Labor Standards Act Requirement	Above Legal Requirements
Annual/Personal & Sick Leave	1. Employees are entitled to prorated annual leave in their first year of service. 2. Employees at the Assistant Manager level and above receive leave days exceeding legal requirements.	Paid	Same as Labor Standards Act	√
Menstrual/Family Care Leave	As stipulated by law (not counted together)	Paid	Same as Labor Standards Act	√
Maternity Leave	10 weeks	Paid	8 weeks	√
Paternity and Prenatal Checkup Leave	8 days	Paid	7 days	√
Health Checkup Leave	0.5-1 day	Paid	None	√
Birthday Leave	0.5 day	Paid	None	√
Volunteer Leave	4 days	Paid	None	√

#### ■ Parental Leave

Item	Female	Male	Total
No. of Eligible Employees 1	20	20	40
No. of Employees on Leave	5	1	6
No. of Employees Scheduled to Return	7	2	9
No. of Actual Returned Employees	5	1	6
Return Rate 2	71.43%	50%	66.7%
Employees Who Returned from Parental Leave in 2023	11	-	11
Employees Still Employed One Year After Return in 2023	8	-	8
Retention Rate 3	72.7%	-	72.7%

Note:

1. In 2024, the number of eligible applicants is counted only for employees with children under three years old.

2. Return rate = Actual number of employees who returned to work/Number of employees eligible to return

3. Retention rate = Number of employees who have remained employed for one year after returning/Number of employees who returned in the previous year (reasons for retention under one year include voluntary resignation and renewed application for unpaid leave)

This table presents statistics for the Taiwan region. According to 2024 data, no employees in overseas locations qualified for or utilized parental leave.

Employee Retirement System

KGI Securities administers the employee retirement pension system in accordance with the Labor Standards Act, the Regulations Governing the Supervisory Committee for Labor Retirement Reserve Funds, and the Employee Retirement Measures.

Retirement Fund Item	Description	2024 Contribution/ Payment Amount	Number of Participants	Participation Rate (%)
Old System Retirement Fund	Monthly contributions based on total employee wages are deposited into the Company's retirement fund account at Bank of Taiwan.	20,707,325	800	25.22%
Old System Retirement Fund	According to Article 56, Paragraph 2 of the Labor Standards Act, employers are required to estimate the balance of the labor retirement reserve account before the end of each fiscal year. If the balance is insufficient to pay the estimated retirement pensions for employees who meet the retirement conditions in the following working year, the employer must make a one-time allocation of the shortfall by the end of March of the following year.	31,388,399	800	25.22%
New System Retirement Fund	In accordance with the Labor Pension Act, the Company shall contribute 6% of each employee's monthly salary to the employee's individual retirement account at the Bureau of Labor Insurance. For those who voluntarily contribute to their pension, the Company will deduct the voluntary contribution rate from the employee's monthly salary on their behalf.	186,781,043	2,372	74.77%

Note: The proportion of participating employees in this table is calculated based on the number of full-time employees at KGI Securities, totaling 3,172 individuals. This calculation excludes subsidiaries, overseas locations, and contract employees.

In addition to the basic statutory retirement pension system mentioned above, China Development Financial (CDF) also launched a group-wide "Employee Trust Shareholding Plan" in August 2022. After fully understanding the plan details, employees can join the trust shareholding program through an online platform, choosing the additional monthly contribution amount themselves. The Company will match contributions accordingly through employee stock subscription. The "Employee Trust Shareholding Plan" aims to enhance the financial well-being of employees and hopes that under the various measures of CDF Group's "Our Well-being" initiative, employees will receive full support and care.

Labor-Management Relations

Although KGI Securities has not signed a collective agreement with its employees, to strengthen labor-management relations and protect labor rights, the Company holds regular labor-management meetings every quarter. In 2024, a total of four labor-management meetings were held to report on and thoroughly discuss labor dynamics, business conditions, key issues emphasized by both labor and management, and other related rights matters. In the event that the company ceases operations due to business contraction or losses, or terminates employees, the notice period for termination of the labor contract shall be given 10 to 30 days in advance, depending on the employee's length of service.



4.3.2 Healthy and Safe Workplace

KGI Securities is committed to providing a safe and healthy working environment for all workers, including employees and non-employee workers. To enhance and ensure workplace quality, KGI Securities obtained ISO 45001 Occupational Health and Safety Management System certification in 2021 and continued to maintain its validity in 2024. The Company implements various measures, including regularly commissioning external vendors to conduct labor workplace environment monitoring, building public safety inspections and reporting, and fire safety equipment maintenance and reporting. Regular workplace risk identification, assessment, and corresponding improvement measures are conducted to reduce potential hazards and concerns.

Occupational Health and Safety System

To comply with the relevant provisions of the Occupational Safety and Health Act, KGI Securities established the Occupational Safety and Health Committee in 2023. The committee consists of nine members, including three labor representatives, and is chaired by the Company's Executive Vice President. Both labor and management are invited to jointly hold regular quarterly committee meetings. The agenda includes reporting on occupational safety and health policy plans, implementation performance, and improvement measures. Employee suggestions regarding occupational safety and health are also discussed. Ultimately, the proposals are submitted to the Board of Directors for review to ensure the comprehensive implementation of the occupational safety and health management system across labor, management, and organizational governance. In 2024, a total of four meetings were held to review key topics, covering the effectiveness of education and training implementation. This included professional training and certification validity for occupational safety personnel, as well as workplace environmental safety issues such as electrical safety, use of electrical equipment, and office equipment safety.

Workers, Activities, and Workplaces Covered by the Occupational Safety and Health System



Because the Company's occupational safety and health laws and internal regulations apply only to Taiwan, this section discloses data for Taiwan only. Data for overseas locations will be disclosed in future years after clarifying the statistical standards.

To communicate and implement occupational safety and health concepts to employees and to enhance the professional knowledge of personnel related to occupational safety and health positions, the Company organizes various lectures and training sessions irregularly in accordance with the "Occupational Safety and Health Education, Training, and Professional Skills Assessment Management Procedures." Professional certificates are issued to participants who complete the training, followed by post-training evaluations to ensure the effectiveness of the programs.

Training Programs and Course Statistics

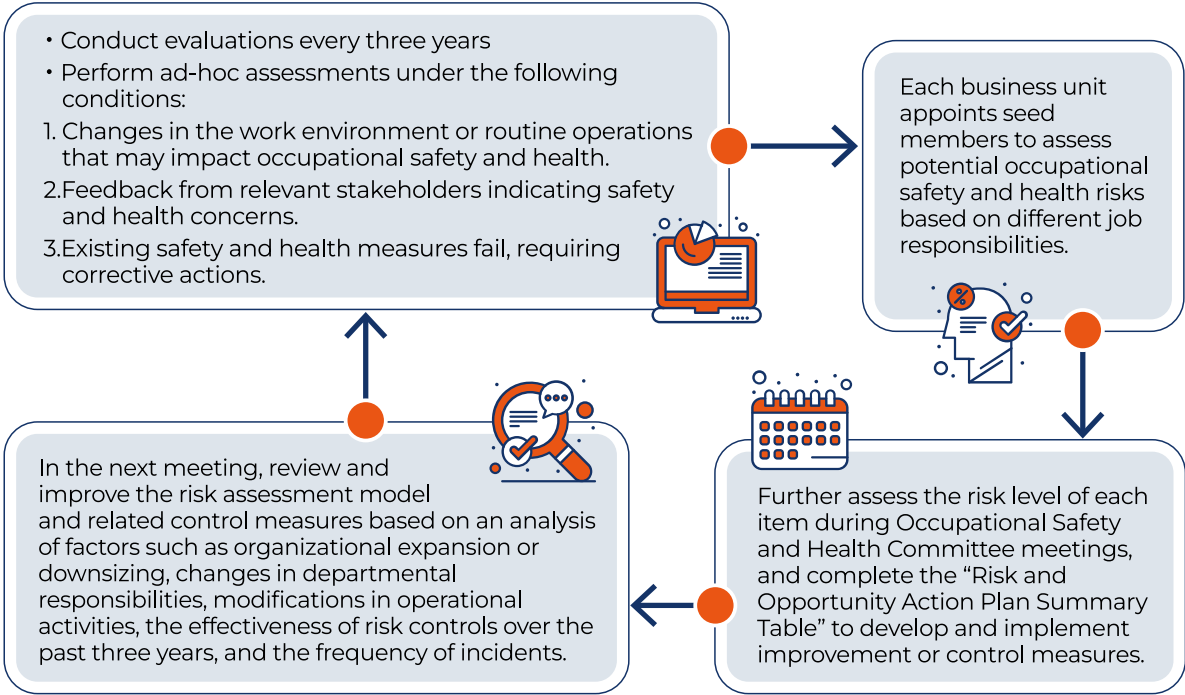
Program Content	Participants	Total Training Hours
Occupational Health and Safety Training for New Employees	358	3
Fire Response Team Drill	1,468	1
Professional Training for Hazard Identification and Risk/ Opportunity Assessment Personnel	35	12 hours of drill training 45 minutes of evaluation and review
First Aid Personnel Training	Initial training for 48 individuals Refresher training for 12 participants	16 hours of initial training 3 hours of refresher training
Occupational Health Nurse Training	1	12
Occupational Safety and Health Education and Training	2,973	3 hours

Workplace Risk Identification and Prevention/Mitigation Measures

To effectively manage workplace hazards and enhance workplace safety and health, the Company follows the ISO 45001 Occupational Health and Safety Management System. Each year, the Company invites employees who hold valid occupational safety and health certifications and have completed training in hazard identification and risk assessment are invited to participate in workplace risk assessments. These assessments take into account interest representation based on employee feedback, and are used to formulate appropriate prevention and mitigation measures.

Within the scope of the ISO 45001 Occupational Health and Safety Management System, in the event of an occupational accident or an occupational health and safety-related incident, an investigation into the root cause of the incident and the implementation of subsequent corrective actions will be conducted in accordance with the Company's "Occupational Health and Safety Incident Investigation Procedures." The Company also conducts hazard identification and risk assessment related to occupational safety and health in accordance with the "Occupational Health and Safety Incident Investigation Procedures," in order to further plan corresponding control measures and reduce related occupational safety and health risks. The hazard identification is detailed as follows.

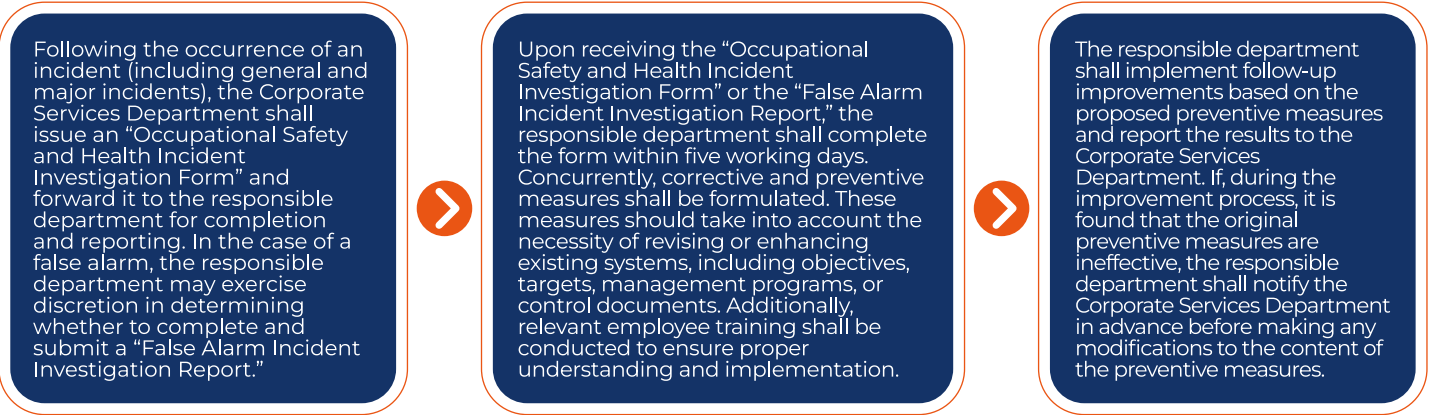
Risk Hazard Identification Process



In 2024, after consultation and discussion with various departments, the Company identified the following occupational safety and health risks and developed corresponding preventive or mitigating measures for each identified risk issue:

Risk Issues	Risk Description	Preventive/Mitigation Measures
Psychological Health and Safety	Due to the Company's business being knowledge- and labor-intensive, and operating in an industry highly scrutinized by regulatory authorities, employees are more prone to experiencing physical and mental conditions such as insomnia and anxiety caused by work-related stress.	A dedicated service hotline provided by the ShiuH-Li Cultural and Educational Foundation encourages employees to manage stress and seek support as needed. Employees are also periodically granted leave to help them relax and recharge. Additionally, written policies and practices for preventing unlawful harm while performing duties are published and prominently posted on the internal portal.
Workplace Safety	Emergency evacuation routes within the premises must be kept clear at all times. For example, fire doors in front of stairwells should not be obstructed, and no items should be placed within 30 cm of the ceiling-mounted sprinkler heads in storage rooms.	Regular fire drills are conducted, during which all items blocking evacuation routes are promptly removed. In addition, unscheduled inspections and awareness campaigns are carried out to enhance employees' occupational health and safety awareness.
Traffic Accidents	Traffic accidents occurring during commuting or while performing work duties.	The Company promotes traffic safety awareness within the group and encourages the use of public transportation.
Statutory Infectious Diseases	Due to risks of infectious disease clusters and transmission, employees taking sick leave may cause operational difficulties.	<ul style="list-style-type: none"><li>Organize vaccination campaigns.</li><li>Provide employees with regular updates on epidemic status and health education about diseases.</li><li>Provide hand sanitizer stations, encourage frequent handwashing, and ensure regular cleaning and disinfection of office buildings to reduce disease transmission vectors.</li></ul>
Natural Disasters and Emergencies	Unexpected incidents such as fires or earthquakes occurring in the office building.	To ensure employees maintain safe and proper evacuation and sheltering practices during fires, earthquakes, or other emergencies, the Administrative Department conducts regular annual fire drills and, based on departmental needs, arranges additional training and evacuation drills. Daily disaster prevention awareness is actively promoted to employees. Furthermore, escape route maps and disaster safety instructions are posted on every floor of the office building.

Within the scope of the ISO 45001 Occupational Health and Safety Management System, in the event of an accident (including but not limited to the occupational health and safety risks previously identified), the Administrative Department shall conduct an accident investigation in accordance with the following procedures and complete subsequent corrective actions. For material accidents, the Administrative Department shall report to the competent authority in accordance with the law and convene a "Material Accident Review Meeting" to understand and discuss the course of the incident, cause analysis, immediate response measures, and recurrence prevention strategies.



■ Statistics on Work-Related Injuries and Absenteeism

Employment Type	Item	2024
Total working hours in 2024		8,072,160
Employees	Total number of injuries	29
	Total days of injury leave	363
	Work injury rate (%) 1	0.72%
	Lost day rate (%; Days per 200,000 hours) 2	8.99
	Disabling injury frequency rate (%; Cases per million hours) 3	3.59
	Disabling injury severity rate (%; Days per million hours) 4	44.97

Note:

1. Work Injury Rate: Number of Work Injury Cases/Total Number of Employees

2. Lost Day Rate (days per 200,000 work hours): Number of Work Injury Leave Days/Total Working Hours \* 200,000 Hours

3. Disabling Frequency Rate (FR) (cases per million hours): Refers to the total number of disabling injuries (including death, permanent total disability, permanent partial disability, or temporary total disability) per one million hours worked during the reporting period. The formula is: Disabling Injury Frequency Rate (FR) =(Number of Disabling Injury Cases ×10^6)/(Total Working Hours)

4. Disabling Severity Rate (SR) (days per million hours): Refers to the total lost days due to disabling injuries (death, permanent total disability, permanent partial disability, or temporary total disability) per one million hours worked during the reporting period. The formula is: Disabling Injury Severity Rate(SR)=(Total Lost Days ×10^6)/(Total Working Hours)

This table presents statistics for Taiwan only. No work-related injuries were reported in 2024 for overseas locations. Additionally, in 2024, no work-related injuries occurred among non-employee workers at KGI Securities, including both Taiwan and overseas work environments.



Prevention of Employee Health Risks

KGI Securities is committed to providing a healthy and safe working environment, while also placing great emphasis on the physical and mental well-being of its employees. To support employee mental health, KGI Securities has collaborated with professional consultants to establish the Employee Assistance Programs (EAP). These programs provide employees with diverse one-on-one support and psychological counseling services covering emotional conflicts, stress, interpersonal communication, career development, parenting, marriage, and family issues. In addition to psychological counseling services, legal consultation services are also available. he EAP is extended not only to employees but also to contract and dispatch workers, ensuring all personnel in the workplace have access to professional support.

In addition, to encourage employees to engage in autonomous health management, KGI Securities provides each employee with a dedicated health management system app, enabling employees to understand their own health status at any time. The Company also regularly shares health updates through the app to promote awareness and self-care.

Employee Health Programs

Program Name	Purpose	Target Group	Implementation & Results	Certifications & Employee Feedback
Maternity Health Protection Program	To safeguard the physical and mental health of pregnant and breastfeeding employees, including risk assessment and control, physician consultations, risk classification, job adjustments, and other protective measures.	Female employees who are pregnant, postpartum, or breastfeeding	<ul style="list-style-type: none"><li>Regular promotion of breastfeeding policies and regulations</li><li>Creation of breastfeeding-friendly environment, including comfortable lactation rooms and a dedicated entrance at headquarters</li><li>Childbirth subsidies and related benefits</li><li>One contracted postpartum care center</li><li>One new contracted preschool added in 2024, totaling two</li></ul>	<ul style="list-style-type: none"><li>Received Quality Breastfeeding Room Certification from Taipei City Department of Health</li></ul>
Overwork Risk Prevention Program	To prevent the Company's workers from developing illnesses due to abnormal work burdens such as shift work, night work, and long working hours, health management measures are provided. These measures aim to prevent workers from suffering high-risk diseases such as cerebrovascular and cardiovascular diseases caused by excessive fatigue, achieving early detection and treatment to ensure the physical and mental health of employees.	High-risk night and shift workers; employees with elevated 10-year cardiovascular risk	<ul style="list-style-type: none"><li>Organize health promotion activities periodically to alleviate employees' physical and mental stress</li><li>Hypertension prevention: regular blood pressure checks conducted at fixed times/locations; approx. 3,828 checks in 2024</li><li>CPR and AED training courses</li><li>EAP: legal, parenting, and mental health support</li><li>On-site/virtual physician consultations: 24 sessions, 169 participants</li><li>Nurse consultation visits: 45 sessions, 383 visits</li></ul>	<ul style="list-style-type: none"><li>Awarded the 2024 Health Workplace Certification – Health Promotion Badge by the Health Promotion Administration</li><li>AED Safe Site Certification</li></ul>
Ergonomic Risk Prevention Program	To prevent musculoskeletal injuries or disorders caused by poor workstation design, repetitive tasks, improper posture, or poor time management.	All Staff	<ul style="list-style-type: none"><li>Health seminars: 15 sessions on topics such as how to choose health checkups, interpreting results, strength training and fascia release, childhood obesity and fatty liver, bone and muscle health; 1,263 participants</li><li>Health education: internal website shares up-to-date health information</li><li>Massage service by visually impaired therapists: 4,703 sessions in 2024</li><li>Welfare Committee Sports Clubs: Each sports club is led by a team leader who is dedicated to managing the employee sports clubs. A total of 36 clubs have been established.</li></ul>	<ul style="list-style-type: none"><li>97% satisfaction with massage service</li><li>Received Tobacco Hazard Prevention &amp; Health Promotion Badge</li></ul>
Mid-to-Older Age Workforce Protection Program	To assess and support the work ability of mid-aged and older employees through medical evaluations and necessary job accommodations or redesign.	Mid-to-older age employees	<ul style="list-style-type: none"><li>Established mid-to-older age workforce protection plan</li><li>Procured blue light screen protectors and upgraded monitors (22–24 inches)</li><li>Office Lighting: Commissioned an external inspection company to verify whether the office environment's illumination meets the specified standards.</li><li>Headquarters has established accessible facilities, including accessible restrooms and ramps, to accommodate employees with mobility difficulties.</li><li>Upgraded ergonomic office chairs: Began replacing meeting room chairs in 2023</li></ul>	<ul style="list-style-type: none"><li>Certified as an Age-Friendly Employer in the 2nd Taipei City Mid-to-Senior Aged and Elderly-Friendly Enterprise Program</li></ul>

Workplace Health Promotion Measures

To enhance employees’ physical and mental well-being, the Company regularly organizes activities, consultations, and educational campaigns through diverse and frequent initiatives to promote overall workplace health.

Activity	Description & Results
Annual Health Checkups	An annual health check-up program is provided to help employees manage their health, achieving an employee annual examination rate of 79%.
Health Seminars	15 sessions on topics such as how to choose health checkups, interpreting results, strength training and fascia release, childhood obesity and fatty liver, bone and muscle health; 1,263 participants.
Intranet is regularly updated with the latest medical information and current affairs	A total of 12 articles were published during the year.
On-site Flu Vaccinations at Headquarters	128 vaccinations administered.
Employee health management, providing timely care and assistance, as well as injury and illness consultation	Monthly health consultations and support services provided; used 1,165 times over the year.
On-site Medical & Emergency Services for Employees	62 medical cases assisted in 2024.
EHS Occupational Safety and Health Management System & App	3,140 users accessed the occupational health and safety system.
Provision of AED equipment with regular updates and maintenance	An AED manager has been appointed, and regular training sessions on AED equipment have been organized for staff. In 2024, six training sessions were conducted, with a total of 328 participants. The facility has also obtained AED Safe Site certification.
The workplace medical office and all branch offices across the province are equipped with first aid kits, which are regularly managed and maintained.	Regular inspection and maintenance of the equipment and supplies in the medical office.
Nurse & Massage Services at Branches	Branches arrange on-site nurse visits for health guidance, holding 45 sessions with 383 participants in 2024. Massage therapists provided stress relief services totaling 423 sessions. These services will continue and expand resource sharing in 2025.
On-Site Physician Services	Medical service stations are set up across branches, providing timely referrals for high-risk health cases. In 2024, 24 sessions were held with 192 participants.
Blood Pressure Monitoring Stations	Fixed-location blood pressure measurement devices were used 3,828 times in 2024. A self-service blood pressure station will be added at headquarters in 2025.

Illegal Harassment Incidents

To provide a friendly working environment and eliminate unlawful infringements against employees, including but not limited to sexual harassment, workplace bullying, and discrimination, KGI Securities has established relevant regulations such as the "Workplace Sexual Harassment Prevention and Disciplinary Guidelines" and the "Prevention Plan for Illegal Harassment Encountered in the Execution of Duties."

Employees who experience illegal harassment can file complaints via the internal employee grievance mailbox. The Company will establish an investigation committee in accordance with relevant regulations to handle the matter promptly and confidentially. Depending on the physical and mental condition of the victim, the Company will proactively refer or provide psychological counseling and legal assistance. Confirmed perpetrators are reported to the review committee and disciplined per policy. Depending on the circumstances, arrangements will be made to transfer the individual from their original position to prevent further contact with the victim, safeguarding complainants’ rights and preventing further incidents.

In 2024, the Company received four workplace illegal harassment reports. Each was investigated by a special committee convened by the President following the "Prevention Plan for Illegal Harassment Encountered in the Execution of Duties." The investigation process and results were documented and reported, with appropriate actions taken against offenders. Additionally, the Company proactively provided assistance and care to the victims and relevant department personnel as needed. Furthermore, the Company has strengthened internal promotion and training to prevent unlawful workplace harassment, aiming to eliminate such incidents. Moving forward, the Company is committed to providing employees with a healthy and secure working environment and safeguarding employee rights.



# 5 Green Operation and Social Co-prosperity

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- 103 5.5 Social Co-prosperity

The Company shall comply with environmental regulations and international standards, actively implementing carbon reduction initiatives and environmental protection measures throughout its operations and internal management. We are committed to establishing a sustainable business model.

- Reduce operational carbon emissions by 25% in 2024 compared to the baseline year
- Achieve a 2% annual reduction in electricity consumption and a 1% annual reduction in water usage in 2024
- Increase the proportion of renewable energy usage to 20%

By integrating the resources and strengths of the Group, the Company is deeply engaged in disaster relief, academic research, talent development, and support for disadvantaged communities. We strive to fulfill corporate social responsibility across multiple dimensions, actively exerting social influence and promoting sustainable values.

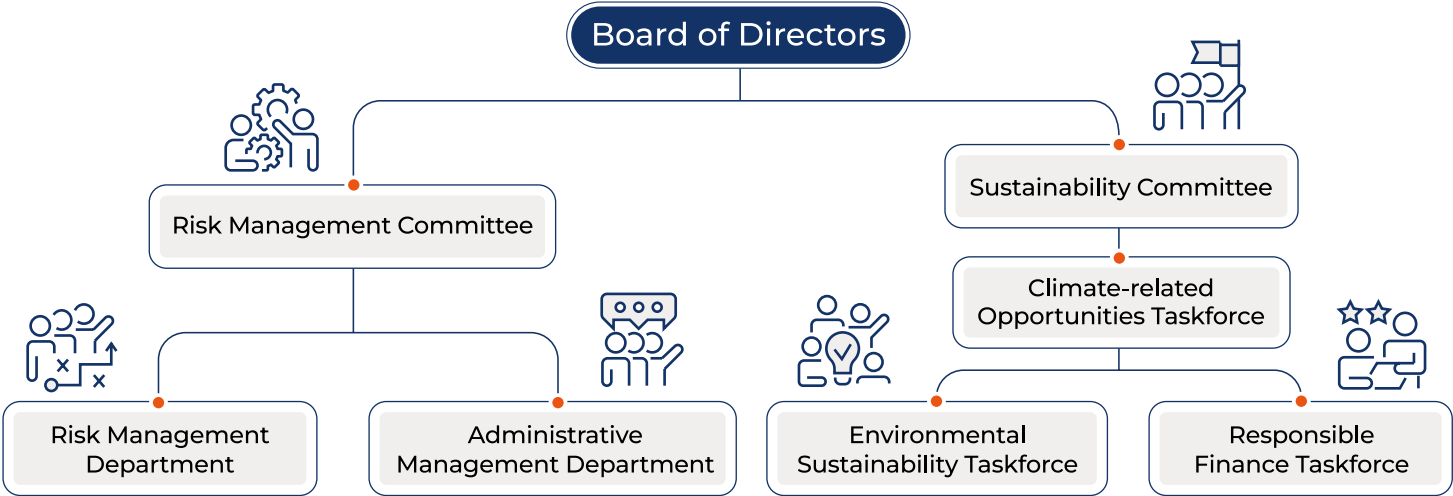
# 5.1 Climate Change Management

The Company complied with the instructions of the Task Force on Climate- Related Financial Disclosures (TCFD) in 2022 to establish its climate change management structure step by step to adapt to effects brought by climate change to KGI Securities starting from the four major aspects of governance, strategy, risk management, and indicator and target setting. The Company has issued its TCFD Report separately since 2023 to reinforce the completeness and transparency of climate-related information disclosure and respond to the expectations of stakeholders. For details of the climate change financial information disclosures, please refer to the 2024 KGI Securities TCFD Report.



2024 KGIS TCFD Report

## 5.1.1 Climate Governance



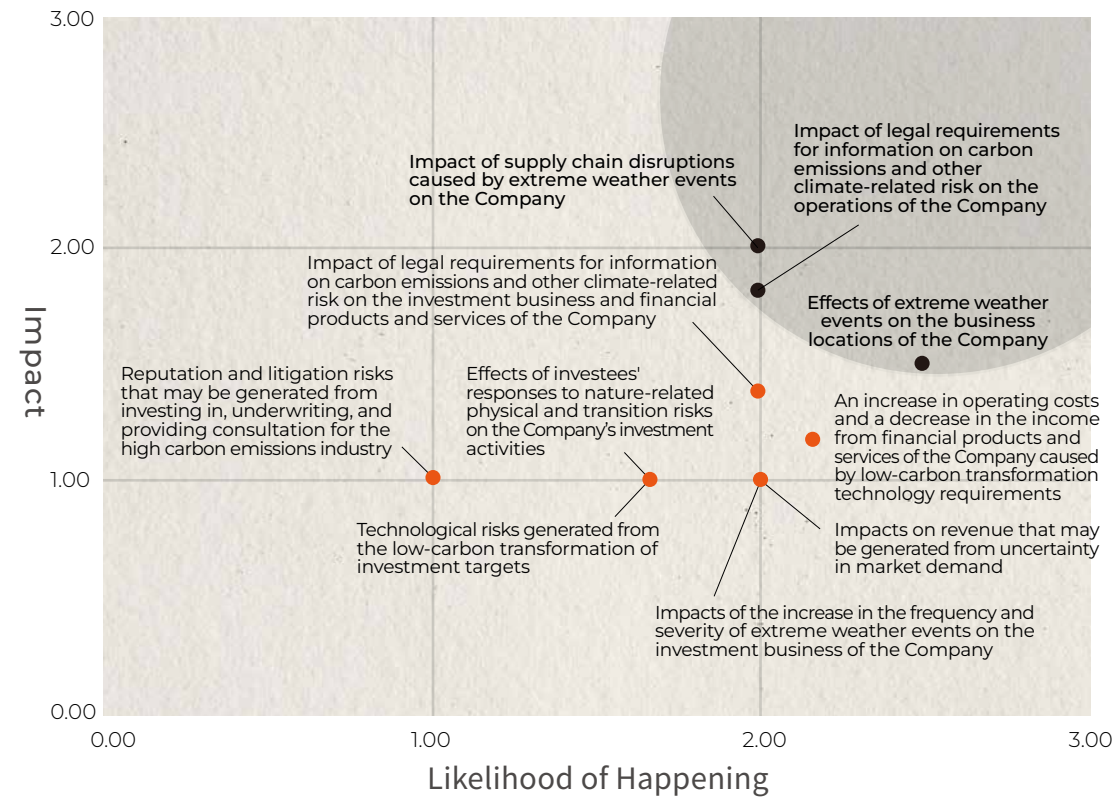
Organization	Chairperson / supervisor / head	Reporting / meeting frequency	Role in climate issues
Board of Directors	Chairman	Convene at least once per quarter	<ul style="list-style-type: none"><li>Highest governance unit for climate issues</li></ul>
Sustainability Committee	Chairman	Quarterly	<ul style="list-style-type: none"><li>Supervisory unit for climate opportunities</li></ul>
Risk Management Committee	Independent Directors	Quarterly	<ul style="list-style-type: none"><li>Supervisory unit for climate risks</li></ul>
Climate-related Opportunities Taskforce	President and CEO Senior supervisor of each taskforce	Convene from time to time according to the requirements	<ul style="list-style-type: none"><li>Implementation unit for climate opportunities</li></ul>
Corporate Services Department	Senior supervisor of each taskforce	Quarterly	<ul style="list-style-type: none"><li>Coordinating unit for the climate change and environmental risks of operations</li></ul>
Risk Management Department	Senior supervisor of each taskforce	Quarterly	<ul style="list-style-type: none"><li>Coordinating unit for climate risks of investment positions</li></ul>

## 5.1.2 Climate Strategy

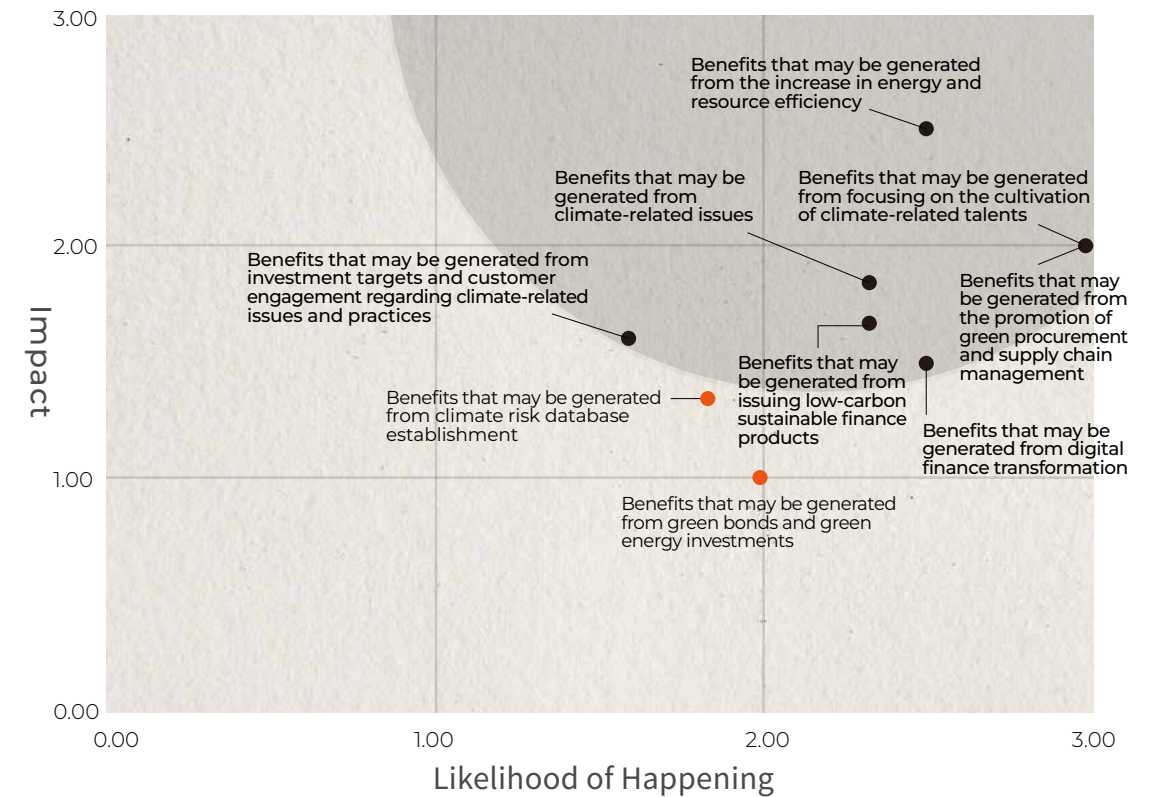
### Climate Risks and Opportunities

To understand the risks and opportunities of climate change of the Company, it performs climate risk and opportunity identification each year. The aspects considered include climate risk and opportunities classification recommended by TCFD, impact pathway, impact timing, the location affected in the value chain, and financial impacts, and evaluations are performed for businesses of the Company. In 2024, three major climate risks and seven major climate opportunities were identified.

#### ■ Climate Risk Matrix



#### ■ Climate Opportunity Matrix



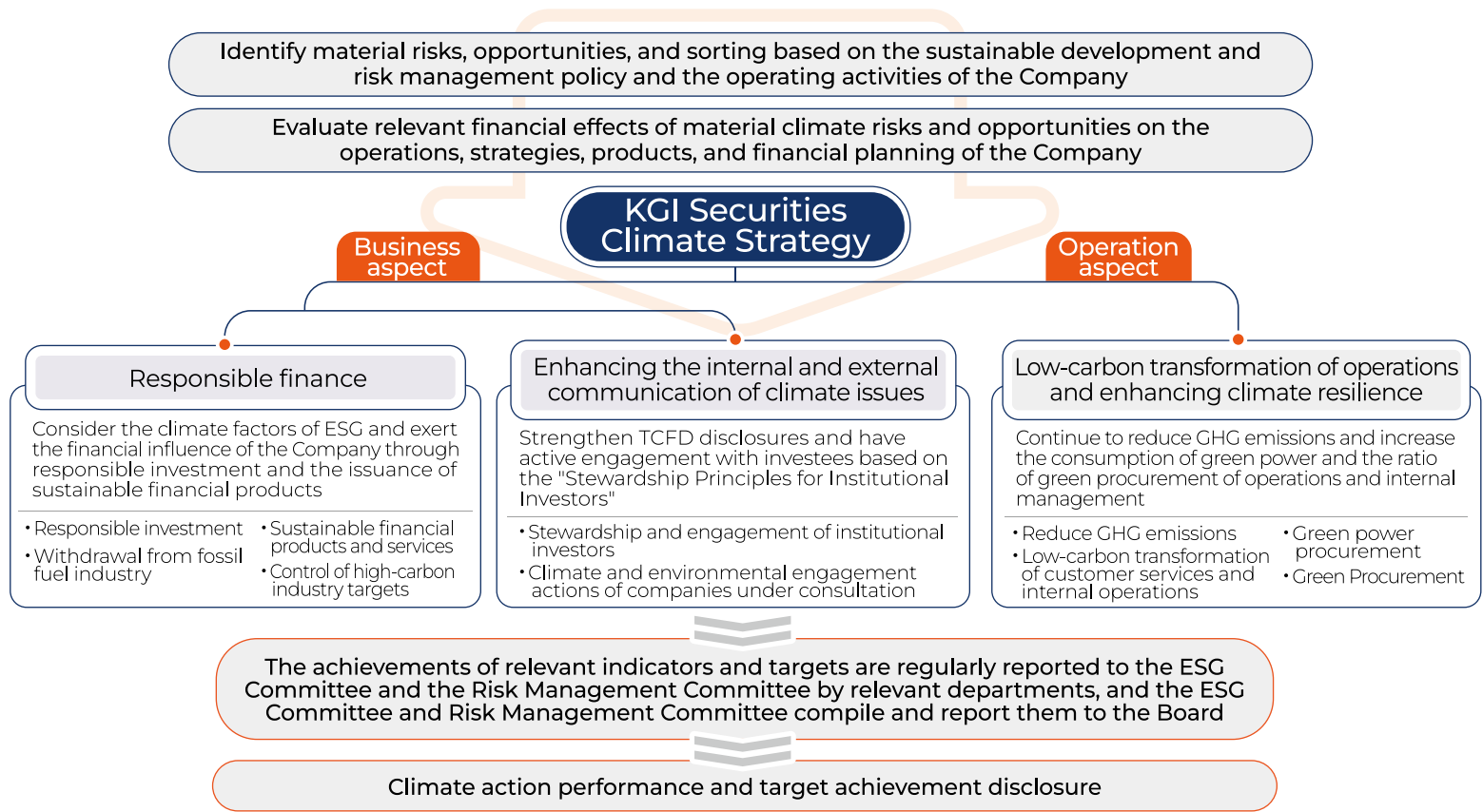
Note:

1. Level of impact: Concurrently consider the effects that may be generated from climate risk and opportunity events, including positive and negative financial effects, benefits or losses brought by events to the Company, the exposure amounts of positions held, number of days of work suspension, approval permission/level of events, and others.
2. Likelihood of occurrence: classified into three levels, with 1 indicating unlikely, 2 indicating possible to, and 3 indicating very likely to occur.



Climate Strategy Overview

To achieve the net-zero target of KGI Financial, KGI Securities follows five key net-zero implementation strategies of its parent company: alignment with UN guidelines, client engagement targets, sector-specific targets, investment and financing portfolio targets, and internal transition goals. The Company continues to strive for net-zero, including achieving net-zero carbon emissions in its own operations by 2040, completely exiting the global coal and unconventional oil/gas-related industries, and reaching net-zero carbon emissions across its total portfolio by 2045. The Company complies with the "Sustainable Finance Commitment" of CDFH, combines the identification results of climate risks and opportunities, and concludes the three major climate strategies of "responsible finance," "enhancing the internal and external communication of climate issues," and "low-carbon transformation of operations and enhancing climate resilience." Through the formulation of the climate strategy, the Company developed relevant action plans based on strategic core values so as to jointly implement the net-zero target of the parent company CDFH through stable carbon reduction steps.



5.1.3 Climate Risk Management

Climate Risk Management Duties

The Company possesses a comprehensive climate risk management structure that covers climate risk governance and policies to promote risk identification, risk measurement, risk management, risk reporting, monitoring, and other systems. The Board is the highest governance unit for climate-related issues. The Risk Management Committee is responsible for supervising and instructing the implementation status of climate risk management and regularly reporting to the Board about relevant matters. A structure of three lines of defense is adopted for the climate risk management of the Company. For the first line of defense, relevant business units are responsible for the daily climate risk control to ensure that relevant climate risk management policies are effectively implemented. For the second line of defense, the Risk Management Department and the Corporate Services Department monitor the management status of business units. For the third line of defense, the Audit Department manages the compliance and implementation achievements of various climate risk management systems independent of the implementation units.

	Relevant units	Responsibilities
First line of defense	Capital Markets Department, Strategic Planning Department, Bonds Department, Dealing Department, Derivative Department, and Investment Product and Service Department	The first line of defense shall assess and respond to climate risks, particularly businesses under great effects of climate risks.
Second line of defense	Corporate Services Department and Risk Management Department	The risk management-related units in 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 evaluate the effectiveness of climate risk monitoring performed by the first and second lines of defense and provide improvement recommendations in due course.

Description of Climate Scenario Analysis

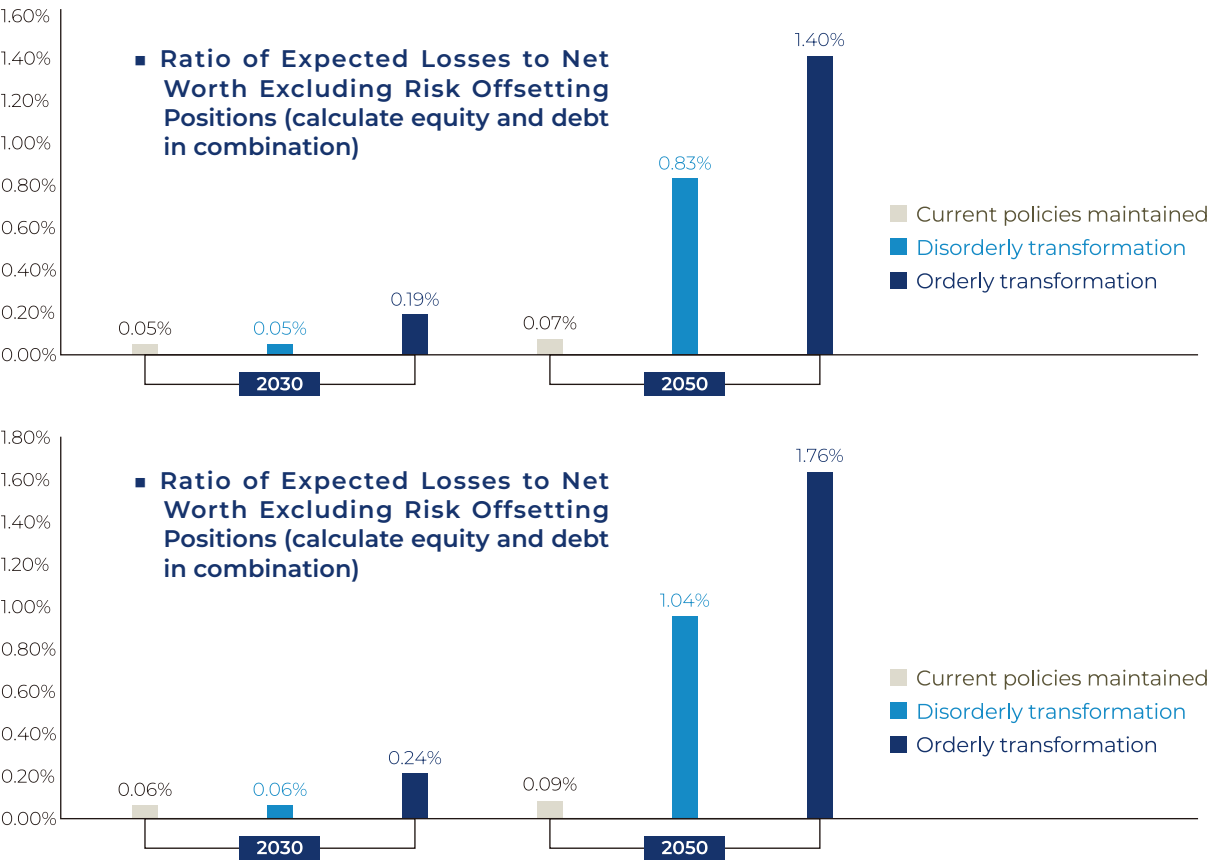
Considering Taiwan's announcement in 2021 to achieve net zero emissions by 2050 and that the 2050 Taiwan Net Zero Emissions Pathway Blueprint and Climate Change Response Act were announced one after another, the Company selected the scenario of NGFS orderly transformation to achieve "Net Zero 2025," which is consistent with the domestic and foreign net zero emissions pathway, to modulate financial losses that the Company may face under the current policies and regulations. December 30, 2023 is adopted as the base day for positions regarding the estimation of losses in the scenario to evaluate the possible financial impacts when climate risk factors impact positions in 2030 and 2050. The climate risk scenario analysis scope and analysis method are set out in the following table:

Risk category	Target	Industry under evaluation	Region under evaluation	Time under evaluation	Analysis method
Transition risk – policies and regulations	Equity investment	All industries	The entire world	Analyze the loss amounts of all industries every five years from 2025 to 2050	Estimate the additional carbon costs of investees and evaluate the ratio of expected depreciation loss of equity investments due to climate to the ratio of investment balance.
	Corporate bond investment				Analyze the industry, country, and changes in credit ratings caused by additional carbon costs of the issuance companies of bonds invested to analyze expected climate loss based on the default rate.
Physical risk – floods	Business locations and self-owned properties	--	Taiwan	2050	Through the overlay comparison with regions with high flooding risks, analyze the level of hazard and vulnerability of business locations and self-owned properties, investment properties, and potential financial losses of suppliers.
	Investment properties			2030	
	Suppliers			2030	

Transformation Risk Scenario Analysis Results

The Company assesses the financial effects of climate change on the expenses and assets of the Company when equity and corporate bond investments are under the scenario of Net Zero 2050, delayed transition, and current policies based on the abovementioned methodology. Under the Net Zero 2050 scenario, as carbon reduction requirements have become more stringent, the estimated financial effects of expected climate loss on the expenses and assets of the Company calculated through the scenario analysis will increase on a yearly basis. Under the delayed transition scenario, as relevant carbon reduction policies commence in 2030, the financial effects are milder before 2030. However, the estimated effects will also increase on a yearly basis after 2030. Under the current policy scenario, as the government has not added relevant carbon reduction regulations, the financial effects are milder than the former two items. The scenario analysis includes the investment positions in equity and debt and all industries into consideration; the analysis results are presented as the ratio of expected climate loss to net worth and total investment amount below. The main investment-related business of the Company is holding short-term trading positions; therefore, the substantive holding period is not long. In addition, considering the development

and transformation plans for partial equity positions, it is generally evaluated that the financial effects of climate risks of investment positions in equity of the Company have no immediate and significant operating risks.



The Company will continue to develop and apply industrial risk matrix, scenario analysis, and other risk management tools to regularly identify, measure, and monitor climate risks. After the assessment, if there are significant operating risks, relevant corresponding strategies will be formulated and reported to the ESG Committee based on the climate governance structure of the Company. To effectively identify high climate risks, the Company has set a short-term goal: the investment ratio of high carbon-emitting industry targets in non-short-term investment positions shall be less than 24.5%. The Company will regularly monitor and manage the sensitive positions, enhance engagement with relevant industries, and continue to reduce the carbon emissions of positions held and lead the low-carbon transformation of the industry.

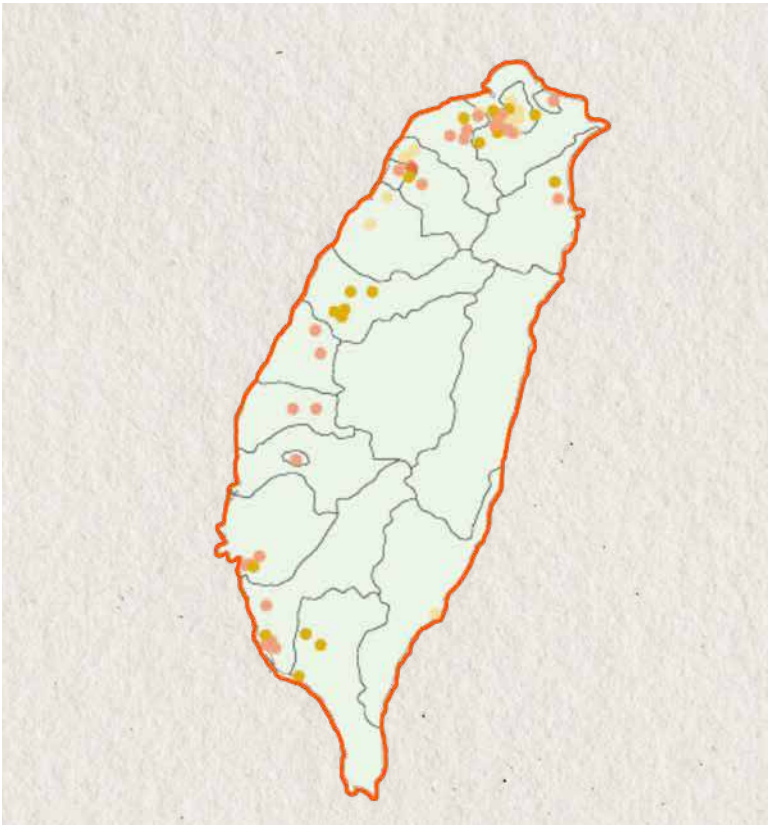
Physical Risk Scenario Analysis Results

The main source of physical risks for the Company is the value impairment of self-owned houses caused by floods and the reduction in operating income caused by operation interruption. Therefore, the Company examined the level of hazard and vulnerability of business locations and self-owned properties with flooding potential across the physical risk database in Taiwan through the Financial Industry Physical Risk Information Integrated Platform and performed an inventory of the adaptation measures for flooding disasters of all business locations to serve as the basis to reinforce operating resilience of the Company step by step.

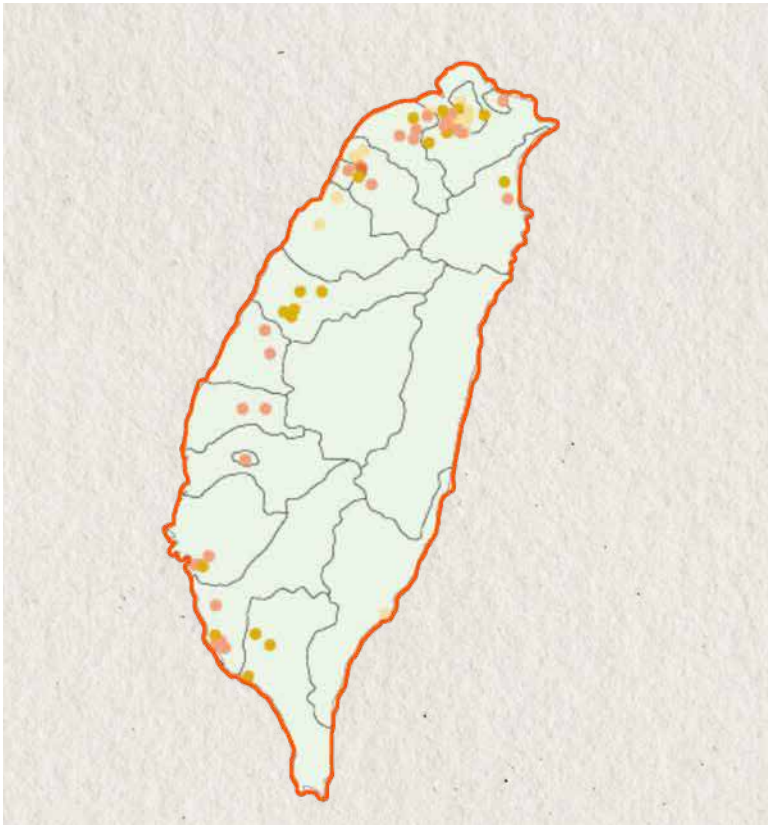
- **Business locations and self-owned properties:** According to the analysis results, at the end of 2024, under the SSP1-2.6 scenario (temperature increase within 2°C) and SSP5-8.5 scenario (warming 4°C), climate scenarios will be situated in flood risk level 4 and 5 areas, with operating locations accounting for 1.16% and 0.00%, respectively.
- **Investment properties:** Under the SSP1-2.6 and SSP5-8.5 climate scenarios, the proportion of investment properties located in flood risk level 4 and 5 areas is 7.14% and 0.00%, respectively.
- **Suppliers:** After analyzing the supplier floors, the Company found that 100% of the leased data center-type suppliers are located in low hazard level areas.

The following diagram illustrates the distribution of the Company's operational sites and owned real estate according to different flood hazard vulnerability scenarios.

Level of hazard and vulnerability SSP1-2.6  
Level of hazard × level of vulnerability ●1 ●2 ●3 ●4



Level of hazard and vulnerability SSP5-8.5  
Level of hazard × level of vulnerability ●1 ●2 ●3 ●4



To reduce the impacts brought by floods, the Company optimizes the disaster prevention measures of its business locations and self-owned properties, including purchasing standing sandbags, adding dams, and preparing pumps and emergency evacuation measures. After appropriate adaptation, the level of hazard and vulnerability of business locations and self-owned properties of KGI Securities decreased.

Apart from adaptations for flooding disasters, the Company purchased insurance for all locations and established the "Regulations for Abnormal Events and Material Accident Reporting and Handling Procedures," "Procedures for Emergency Preparation and Response," and "Procedures for Disaster Emergency Response." Meanwhile, it established its business continuity management (BCM) plan progressively to ensure that crucial businesses and operations continue to operate, reducing operating impacts to protect the rights and interests of customers. The Company established its "BCM Policy" in 2022 and established the BCM Taskforce. It introduced the ISO 22301 business continuity management system, completed the ISO 22301 international standards recognition courses of relevant personnel, operating impact analysis and risk assessment education and training, and emergency response and recovery plan promotion, education, and training, and passed the verification in 2023 Q2. We started from the four major aspects of remote work recovery, desk exercise, personnel evacuation drills, and system change drills to cultivate employees' ability to respond to disasters. In February 2024, we amended the "Guidelines for Information Operation Business Continuity Management" to ensure that the Company can effectively implement response measures and reduce damages and harm to the tolerable scope when interruptions occur.

## 5.1.4 Climate Actions, Targets, and Progress

### Highlights of Climate Actions in 2023



#### Responsible finance

- In 2024, we issued a total of 19 sustainable development bonds, with a total underwriting amount of **NT\$19.578 billion**.
- Sold social responsibility bonds to support a just transition.
- In 2024, we assisted in **33 equity fundraising projects** for companies in ESG-related industries.



#### Enhancing the internal and external communication of climate issues

- For internal communication, we progressively optimized the four major aspects of TCFD and improved the awareness of all employees regarding climate issues.
- We actively carried out investee engagements; in 2024, we carried out **engagements 9,533 times** and **voted 1,333 times** in the shareholders' meetings of investees.
- In 2024, the participation rate of shareholders' meetings of investees **reached 100%**.





#### Low-carbon transformation of operations and enhancing climate resilience








- Scope 1 and Scope 2 carbon emissions from Taiwan-based operations **decreased by 33%** compared to the baseline year.
- In 2024, the cumulative green electricity supplied reached 3,606,046 kWh, **accounting for 23.79% of the total electricity supply**.
- The proportion of green procurement for the entire year of 2024 was 19.41%, with the amount **increasing by 56%** compared to the previous year.

Climate Target Overview

The Company follows a carbon reduction pathway in compliance with SBTi requirements that was approved by KGI Financial in March 2025 to set GHG reduction targets for our operation (Scope 1 and 2) and investment activities (Scope 3). The carbon reduction items of "GHG carbon emissions from our operations" and "ratio of investment targets with SBT targets" are incorporated into the routine tracking of climate management. Moving towards the Group's net-zero transformation goal, the Company's climate target implementation is detailed below:

Climate strategy / item	Responsible finance		Internal and external communication
	Investment ratio in industries with high carbon emissions		Engagement objectives
2024 Targets	The investment ratio of the "high-carbon industry" targets in "non-short-term trading" positions is lower than 24.5%		The ratio of investment targets with commitment or SBT targets set in "non-short-term trading" positions achieves an annual increase of 3%.
2024 Achievement status	<div> The investment ratio of the "high-carbon industry" targets in "non-short-term trading" positions is 18%</div>		<div> The ratio of investment targets with commitment or SBT targets set in "non-short-term trading" positions was 26.7%, an annual increase of 3% compared to the 16.0% of the preceding year</div>
2025 Short-term goals	The investment ratio of the "high-carbon industry" targets in "non-short-term trading" positions is lower than 24.5%		Annual increase (base year: 2024) of NT\$1 billion (par value) in investment targets with SBT targets set in "non-short-term trading" positions
Mid-long term goals	Withdrawal from fossil fuel industry	Withdrawal from fossil fuel industry 1. Starting from 2022, we have committed to prioritizing communication with targets to gradually reduce the carbon emission intensity of investment and financing for high-carbon industries outside of coal and unconventional oil and gas. 2. We have committed to completely withdraw from all business activities involving coal-related and unconventional oil and gas industries by 2040. Our phased commitments are: (1) By 2025, suspend direct project-based investment and financing support for new mining projects or companies engaged in the continuous expansion of such projects; (2) By the end of 2030, if a transition plan has not been proposed, phase out most of our direct investment and financing from companies in the thermal coal and unconventional oil/gas industries in industrialized countries in the European Union and OECD Member States. (3) By the end of 2040, if a transition plan has not been proposed, phase out globally from the investment and financing support of thermal coal related, unconventional oil/gas related industries.	Continue adding investment targets with SBT targets set in "non-short-term trading" positions
	Net-zero target	Jointly committed with the parent company, KGI Financial, to the target of reducing Scope 1 and Scope 2 emissions by 42% by 2030 in accordance with the SBTi international standards, and achieving net-zero carbon emissions across the total portfolio by 2045.	



Climate strategy / item	Sustainable operations						
	Low-carbon business management			Renewable energy consumption	Sustainable Procurement		Environmental sustainability initiatives
2024 Targets	Reduce the GHG emissions of our operations by 25% as compared to the base year (2022)	Reduce the power consumption by 2% as compared to the preceding year	Reduce the water consumption by 1% as compared to the preceding year	Increase the ratio of overall renewable energy consumption, and it is estimated to reach 20%	The ratio of local procurement accounts for more than 80% of the total amount	100% signing rate of "Letter of Undertaking regarding Sustainability for Suppliers"	We estimated to organize at least eight relevant activities
2024 Achievement status	<div> Reduce Scope 1 and Scope 2 carbon emissions from Taiwan-based operations by 33% as compared to the base year</div>	<div> The total power consumption for the entire year was 15,155,776 kWh, a decrease of approximately 5.83% compared to the preceding year</div>	<div> The total annual water consumption was 94,736 kWh, representing a 7.58% decrease compared to the total water consumption of 102,510 kWh in 2023</div>	<div> In 2024, the cumulative green power supply volume reached 3,606,046 kWh, and the ratio of green power was 23.79% of the total energy supply.</div>	<div> The ratio of local procurement for the entire year accounts for 100%</div>	<div> Signing rate reached 100%</div>	<div> Completed 12 relevant activities throughout the entire year</div>
2025 Short-term goals	Compared to the base year and including overseas operational locations, Scope 1 and Scope 2 carbon emissions from our operations were reduced by 15.7% (Note), while maintaining achieved carbon reduction results	The annual energy savings rate of business locations in Taiwan decreased by 2% compared to the preceding year	The annual water savings rate of business locations in Taiwan decreased by 1% compared to the preceding year	Maintain the ratio of renewable energy consumption at locations in Taiwan at 20%	The ratio of local procurement accounts for 90%	Maintained 100% signature rate	Organize at least eight relevant activities
Mid-long term goals	Compared to the base year, achieve a 26.2% reduction in Scope 1 and Scope 2 carbon emissions from our operations by 2027; achieve a 42% reduction in Scope 1 and Scope 2 carbon emissions from our operations by 2030 (Note)	Achievement of the SBTi carbon reduction pathway targets	Rolling adjustment of targets and continuous optimization of water consumption management	In 2030, reach 40% share of renewable energy usage	Continue to increase the ratio of local procurement	Maintained 100% signature rate	Continue to organize environmental sustainability initiative activities

Note: In 2024, the Company completed its carbon reduction pathway plan in compliance with the Science Based Targets initiative (SBTi) and, in alignment with our financial holding parent company, officially passed the SBTi review in March 2025. The future targets were set to include overseas business locations. Should there be any adjustments to the review targets, the official SBTi announcements shall prevail.

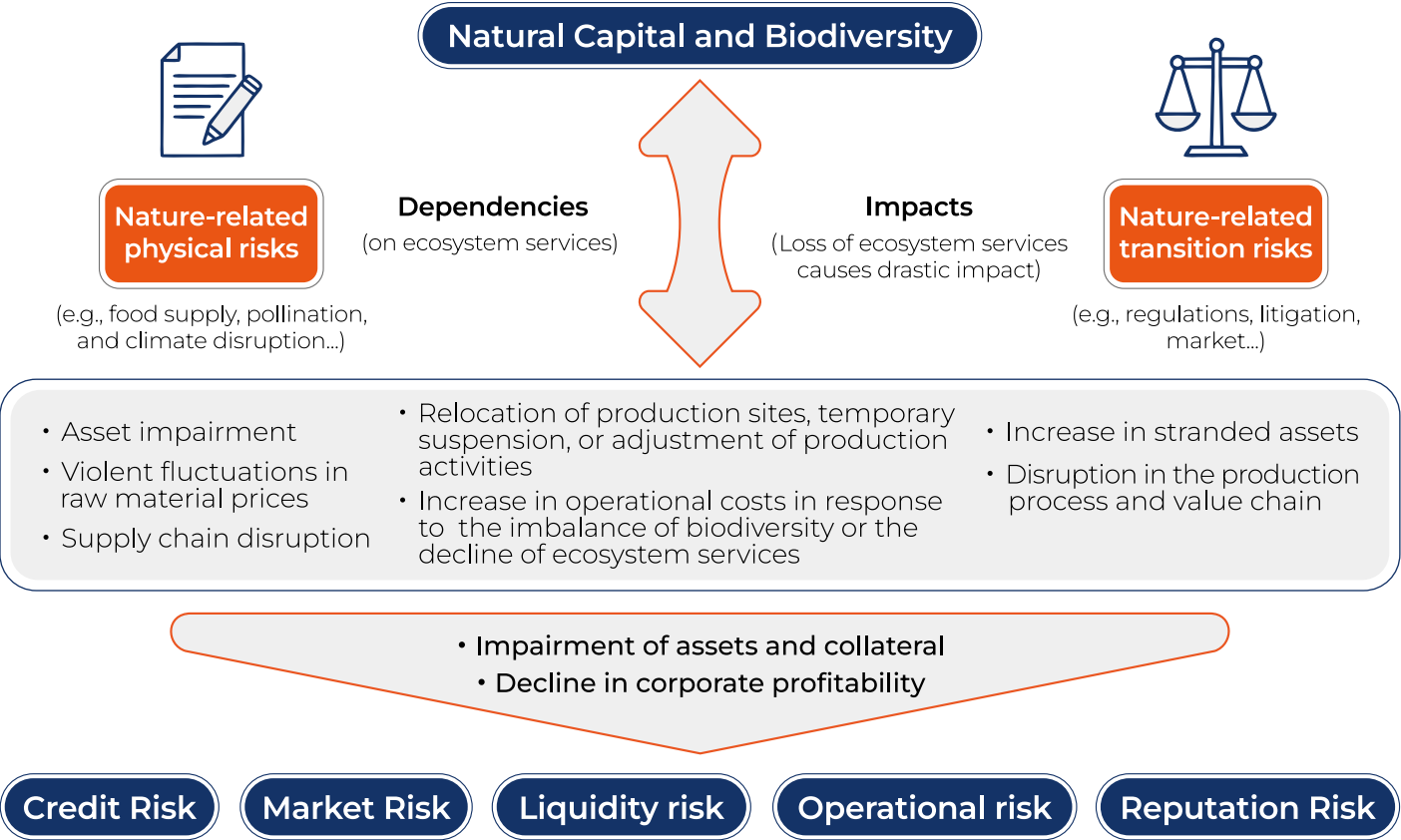
# 5.2 Nature-related Risk Assessment

When the ecological chain of animals and plants, air, water resources, soil and other natural capital are damaged, people's lives will be significantly affected, thereby having a dramatic impact on the environment, economy, and social stability. Based on a risk-oriented management strategy, KGI Securities is gradually including nature-related risks in its risk management scope. The parent company, KGI Financial, officially became a TNFD Adopter in August 2024 and adheres to the TNFD framework's 14 requirements to systematically disclose nature-related risk management. KGI Securities is also gradually disclosing relevant information in alignment with the direction of the parent company.

For detailed information on nature-related risk assessment, please refer to Chapter 5, Natural Risk Assessment, of the 2024 KGI Securities TCFD Report.

## 5.2.1 The Impact of Nature-related Risks on KGI Securities

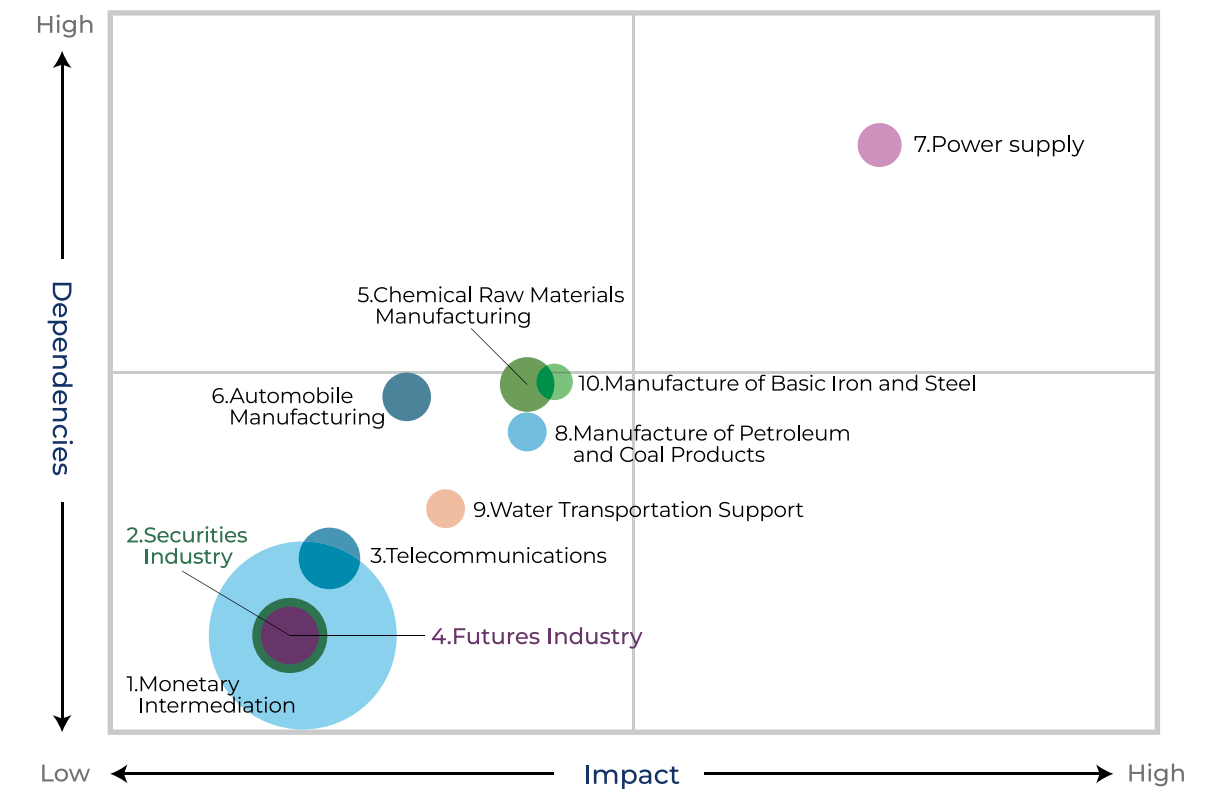
The Company believes that the imbalance of ecosystem services and the loss of natural capital will have a direct or indirect impact on the value chain of financial institutions. This impact will be felt through customers, counterparties, assets, and the economic environment in which they operate, leading to associated risks and losses for financial businesses. The Company also believes that it will contribute to a sustainable future by exerting financial influence and assisting in the global effort to protect and restore natural capital.



### 5.2.2 Identification Results of Dependency on and Impact from Nature-related Risks

The Company uses the ENCORE tool and, based on the database that was updated in the second half of 2024, obtained data on the dependencies and impacts on natural capital in 2024 of the industries to which the investment targets belong. The top 10 industries in terms of the proportion of the investment portfolio balance were then selected to draw a matrix diagram of the dependencies and impacts of nature-related risks by industry.

After reviewing the Company's identification results of natural capital dependency and impact by investment industry, the dependency and impact matrix for the top 10 industries by investment proportion in the Company's 2024 investment targets is as follows. Most belong to industries with low dependency and low impact; however, some industries are characterized by high dependency and high impact, which may face higher nature-related transition risks in the future (e.g., nature-related policies and regulations).



Directorate-General of Budget, Accounting and Statistics Industry Name (Sub-category)	Dependence on Nature			Impact on Nature		
	Climate Change	Forests and Land	Oceans and Water	Climate Change	Forests and Land	Oceans and Water
Monetary Intermediation						
Securities Industry						
Telecommunications						
Futures Industry						
Chemical Raw Materials Manufacturing						
Automobile Manufacturing						
Power supply						
Manufacture of Petroleum and Coal Products						
Water Transportation Support						
Manufacture of Basic Iron and Steel						

Low risk

High risk

Note:

- The size of the bubble represents the proportion of investment balance, and the symbol number is sorted from large to small according to the investment balance.
- Industries were classified according to the 11th revision of industry classifications by the Directorate-General of Budget, Accounting and Statistics (DGBAS).

Going forward, the Company will continue to deepen its assessment of natural dependencies and impacts to provide more detailed decision-making information. We will also continue to monitor and manage the aforementioned industries, adjusting our investment positions as needed, gradually aligning with industries that have lower dependencies on and impacts on natural capital.

## 5.3 Green Operation

KGI Securities complies with environmental laws and international standards, supporting the 1.5°C target of the Paris Agreement and Taiwan's 2050 net zero emissions target. The Company is committed to protecting the natural environment and strives to achieve environmental sustainability goals in its operations and internal management.

The Company has comprehensively considered the impact of its operations on the environment and ecological benefits, reducing resource waste at the source, implementing various measures to decrease resource and energy consumption, and promoting various environmental sustainability initiatives. We contribute to environmental sustainability through concrete actions. In 2024, the corporate headquarters buildings were recognized with the Taipei City Net Zero Leadership Award – Exemplary Award for significant achievements in carbon reduction and energy saving.

To realize the vision of green operations, the Company is committed to the promotion of related policies. The implementation results are as follows:



- Since introducing the ISO 50001 Energy Management System and obtaining certification in 2018, the certificate has continued to be effective.
- Since 2022, renewable energy has been utilized to initiate an energy transition, with a gradual expansion in both the scope and proportion of its use.



- In 2023, an ESG Committee was established at the Board level. The Environmental Sustainability Taskforce is responsible for environmental sustainability issues and regularly monitors and reviews its implementation status on a monthly basis.
- In 2024, the Board of Directors approved the "Environmental Policy" to establish an appropriate environmental management system and concrete implementation plans.
- In 2024, in collaboration with our subsidiary KGI Futures, we completed the implementation of the ISO 14001 Environmental Management System at the headquarters building and obtained external certification.



- Since 2017, the Company has continued completed the ISO 14064-1 GHG inventory and external verification annually, progressively expanding the inventory boundary. In 2024, all overseas business locations were included and consolidated verification was conducted, covering 100% of global business locations. The inventory scope included GHG emissions from Scope 1, Scope 2, and Scope 3.
- In 2024, a GHG inventory management system was implemented that utilizes a data platform to systematically provide calculation and analysis of environmental data.



- Since 2022, in response to the Ministry of Environment's "Green Office" and "Environmental Restaurant" certifications, and to continue to implement green operations, the Company further joined the "Green Lifestyle Partnership" in 2025 to expand its commitment to net zero green living.
- We actively cultivate green-collar talent, with several employees having obtained certifications including ISO 14064 Lead Verifier, ISO 14067 Lead Verifier, PAS 2060 System Builder, ISO 50001 Internal Auditor, ISO 14001 Internal Auditor, the Sustainable Finance Certification (Basic and Advanced), and the Corporate Sustainability Manager Certification.

### 5.3.1 GHG Emissions Reduction and Energy Structure Management

KGI Securities is committed to the reduction of GHG emissions and the increase in the consumption ratio of renewable energy, which is an important part of the overall carbon management of KGI Securities. The Company has formulated corresponding carbon reduction targets and strategies for Scope 1 and Scope 2 GHG emissions: "low-carbon business management" and "use of renewable energy." In 2024, the total emissions of Scope 1 and Scope 2 at business locations in Taiwan reduced by 33% from 2022. We plan to expand low-carbon business management measures to overseas business locations, continue to reduce GHG emissions and mitigate the environmental impact of operations.

#### ■ Scope 1 and Scope 2 GHG Emissions of KGI Securities from 2022 to 2024

unit: tCO<sub>2</sub>e

	2022	2023	2024
	Taiwan	Taiwan	Taiwan
Direct GHG emissions (Scope 1)	583.89	549.13	462.42
Indirect GHG emissions (Scope 2)	8,728.09	6,633.37	5,705.56
Total GHG emissions (Scope 1 + Scope 2)	9,311.98	7,182.50	6,167.98
Emissions per capita	2.65	2.10	1.73
Carbon intensity (tCO <sub>2</sub> e/net million revenue)	0.45	0.25	0.16

Note:

1. Note: The "operating control approach" is adopted for data inventory. The organizational boundary for the inventory in 2024 includes KGI Securities and its subsidiaries/branches in Taiwan: KGI Securities Investment Advisory Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd. The market-based calculation is adopted for Scope 2.
2. Emissions per capita = total emissions/number of formal employees within the scope of the inventory, a total of 3,561 persons.
3. ISO 14064-1:2018, the Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard, and GHG Inventory Registration Instructions were adopted as the inventory methods.
4. The selection of the GWP value was based on the GHGs announced in the IPCC Sixth Assessment Report (2021); the emission coefficients were quoted from the GHG Emissions Coefficient Management Table of the Ministry of Environment (February 5, 2024) and the 2023 electricity emission factor of 0.494 (kgCO<sub>2</sub>e/kWh) as published by the Bureau of Energy, Ministry of Economic Affairs.
5. Carbon intensity is calculated based on the total revenue in the 2022 to 2024 consolidated financial statements, which were NT\$20,702,198 thousand in 2022, NT\$28,451,953 thousand in 2023, and NT\$37,447,299 thousand in 2024. The value of carbon emissions/revenue from 2022 to 2024 was 0.45, 0.25, and 0.16, respectively.

Scope 1 Emission Category and Ratio of KGI Securities in 2024:

unit: tCO<sub>2</sub>e

Region	Taiwan		Overseas regions	
Gas emissions category	Emissions	Percentage (%)	Emissions	Percentage (%)
CO <sub>2</sub>	199.59	43.16%	29.16	59.81%
CH <sub>4</sub>	58.11	12.57%	1.78	3.65%
N <sub>2</sub> O	1.77	0.38%	17.80	36.51%
HFCs	202.95	43.89%	0.02	0.03%
PFCs	0.00	0.00%	0.00	0.00%
SF <sub>6</sub>	0.00	0.00%	0.00	0.00%
NF <sub>3</sub>	0.00	0.00%	0.00	0.00%
合計	462.42	100.00%	48.75	100.00%

Scope 3 GHG Emissions of KGI Securities in 2022 to 2024 (Category 3 + Category 4)

unit: tCO<sub>2</sub>e

Scope of gas	Item		Emissions in 2022	Emissions in 2023	Emissions in 2024	
Category 3 Indirect GHG emissions caused by transportation	Business trip	Flight	18.04	61.26	59.69	
		Taiwan High Speed Rail (THSR)	17.13	37.62	40.26	
		Taiwan Railway	8.59	12.86	11.86	
		Taxi	21.22	23.53	27.38	
		Sub-total	64.98	135.27	139.19	
	Upstream transportation and delivery	Transportation for the purchase of printing papers	0.79	0.63	0.67	
		Regular maintenance and repair by the printer supplier	1.04	0.69	0.41	
		Sub-total	1.84	1.32	1.08	
	Downstream transportation and delivery	Transportation of dispatching notice for the shareholders' meeting to the post office	0.06	0.07	0.09	
		Transportation of dispatching notice for cash dividend collection to the post office	0.08	0.07	0.11	
		Sub-total	0.14	0.14	0.20	
	Total		66.96	136.73	140.47	
	Category 4 Indirect GHG emissions from products used by the organization	Fuel and energy-related activities	Upstream production of purchased energy inclusive of transportation (electricity)	1,512.41	1,303.89	1,123.79
			Upstream production of purchased energy inclusive of transportation (diesel)	0.95	0.48	1.47
Upstream production of purchased energy inclusive of transportation (gasoline)			36.70	17.28	14.64	
Upstream production of purchased energy inclusive of transportation (natural gas)			33.36	38.16	38.73	
Sub-total			1,583.42	1,359.81	1,178.63	
Ultimate disposal of business waste		Ultimate disposal of business waste (including incineration)	394.88	85.20	114.73	
		Domestic garbage clearing services	130.40	28.38	37.17	
		Sub-total	525.28	113.58	151.90	
Emissions from organizational services		Delivery of packages	1,128.79	628.31	641.77	
Use of leased equipment		Refrigerant of company cars	-	8.63	8.31	
		Telecom services	-	1,109.20	1,492.94	
		Sub-total	1,128.79	1,746.14	2,143.02	
		Total		3,237.49	3,219.53	3,473.55

Note:

1.

Note: The organizational boundary for the inventory in 2024 includes KGI Securities and its subsidiaries/branches in Taiwan: KGI Securities Investment Advisory Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd.

2.

ISO 14064-1:2018, the Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard, and GHG Inventory Registration Instructions were adopted as the inventory methods.

3.

Category 3 is indirect GHG caused by transportation; Category 4 is indirect GHG emissions from products used by the organization.

4.

The GWP value was selected from the GHGs announced in the IPCC Sixth Assessment Report (2021); the emission coefficients were quoted from the GHG Emissions Coefficient Management Table of the Ministry of Environment (February 5, 2024), and a secondary database referencing the Taiwan Product Carbon Footprint website.



GHG Inventory of Overseas Locations

Except for the GHG inventory results in Taiwan, to effectively control the overall carbon emissions and realize the concept of "net zero emissions by 2050," from 2023 on the Company has performed an inventory on the carbon emissions of overseas locations in Hong Kong and Singapore. In 2024, the carbon emissions of locations in Shanghai and Indonesia were included. The emissions of Scope 1 to Scope 3 are as follows:

unit: tCO<sub>2</sub>e

Scope of GHG		Hong Kong	Singapore	Indonesia	Taiwan	Total of Taiwan and overseas
Scope of GHG in 2023	Scope 1	9.45	10.61		549.13	569.19
	Scope 2	659.51	149.91		6,633.37	7,442.79
	Scope 3	62.36	234.47		3,356.26	3,653.09
Scope of GHG in 2024	Scope 1	9.93	-	38.81	462.42	511.16
	Scope 2	619.48	129.48	54.86	5,705.56	6,509.39
	Scope 3	94.77	229.61	62.21	3,614.03	4,000.62

Note:

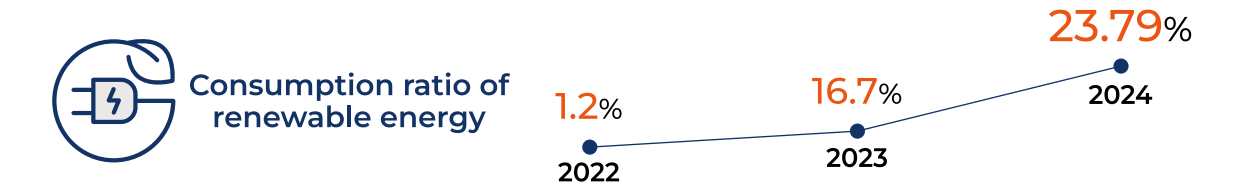
- ISO 14064-1:2018, the Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard, and GHG Inventory Registration Instructions were adopted as the inventory methods.
- The selection of the GWP value was based on the GHGs announced in the IPCC Sixth Assessment Report (2021). The overseas emission coefficient database sources include the UK Government GHG Conversion Factors for Company Reporting, local regional electricity emission coefficients, and other databases.

Energy Structure Management

For energy structure management, KGI Securities is committed to the increase in the consumption ratio of renewable energy., advancing towards energy transition:

- Since 2022, we joined hands with subsidiaries and other tenants in the headquarters Dazhi Building to execute a power purchase agreement (PPA) for a period of five years with a renewable energy selling company to jointly procure 3 million kWh of renewable energy each year. The bundled REC system was adopted, meaning that the renewable energy/electricity and the certificates are sold in a bundle. In 2023, the consumption ratio of renewable energy increased to 16.7%.
- Starting from March 2024, in collaboration with our futures subsidiary, an additional 1.45 million kWh of renewable energy was jointly procured annually. This initiative aims to further expand the consumption of renewable energy across operational headquarters in Taiwan, achieving the goal of renewable energy usage in all headquarters buildings and increasing the overall consumption ratio of renewable energy to 23.79%.

Consumption Ratio of Renewable Energy of KGI Securities:



In addition, to actively achieve the target of carbon neutrality of the headquarters building of KGI Financial by 2024, reduce the Scope 1 and Scope 2 emissions by 42% by 2030 according to SBTi standards, and, in turn, achieve the target of net zero carbon emissions of the entire asset portfolio by 2045, the parent company KGI Financial purchased 3,000 tons of carbon rights, and the Company actively responded and purchased 50 tons of carbon rights.

Renewable and Non-renewable Energy Consumption of KGI Securities in 2023

Energy consumption	Unit	2022	2023	2024	
		Taiwan	Taiwan	Taiwan	Overseas regions
Purchased electricity (non-renewable energy)	mWh	17,147.53	13,400.75	11,549.73	1,347.11
Renewable energy (electricity)	mWh	-	-	-	-
Purchased renewable energy (electricity)	mWh	209.57	2,693.29	3,606.05	-
Total electricity	mWh	17,357.10	16,094.04	15,155.77	1,347.11
	mWh per capita	4.94	4.71	4.26	2.61
Natural gas	Total consumption (kWh)	64,653.12	73,575.00	74,628.00	-
Gasoline	Total consumption (L)	55,854.75	28,610.89	24,237.87	12,074.00
Diesel	Total consumption (L)	1,305.21	708.90	2,183.20	567.00
Total non-renewable energy consumption	mWh	18,290.32	14,391.08	12,521.90	1,454.64
Total energy consumption	mWh	18,499.89	17,084.36	16,127.95	1,454.64
Total energy consumption	GJ	66,599.60	61,503.71	58,060.56	5,236.69
Total energy consumption per capita	GJ	18.95	17.98	16.30	10.15

Note:

- The organizational boundary for the inventory in 2024 includes KGI Securities and its subsidiaries/branches in Taiwan: KGI Securities Investment Advisory Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., KGI Venture Capital Co., Ltd., and branch offices in Hong Kong, Singapore, and Indonesia.
- 1 mWh of electricity consumption equals to 3.6 GJ of electricity consumption.
- 1 kcal equals 0.000004 GJ; 1 GJ equals 0.277777778 mWh.
- The conversion is performed according to the Emissions Coefficient ver. 6.0.4 announced on the website of the Bureau of Energy; natural gas is 9,000 kcal/m<sup>3</sup>, gasoline is 7,609 kcal/L, and diesel is 8,642 kcal/L.

Implementation of Autonomous Energy-saving Measures

Since 2022, KGI Securities has continued to implement various energy-saving measures, such as updating old and obsolete main chiller equipment, using LED lighting, adopting the power-saving mode for office printers/computers/laptops, adjusting and shortening air conditioning usage time, and regularly examining the power consumption to improve power consumption efficiency. In 2024, we continued the prior energy-saving measures, gradually expanding the implementation of energy-saving equipment, together with the implementation of other concrete action measures. We saved a total of 938,255 kWh of electricity over the year, and the electricity conservation rate was 5.83%, achieving the target of an annual reduction rate of 2% for electricity conservation.

Equipment-related energy-saving measures	2022			2023			2024		
	Unit	Electricity conservation volume (kWh)	Annual carbon reduction (tCO2e)	Unit	Electricity conservation volume (kWh)	Annual carbon reduction (tCO2e)	Unit	Electricity conservation volume (kWh)	Annual carbon reduction (tCO2e)
Install LED lighting	1,494	43,116	22	233	3,375	1.7	3,829	323,514	159.82
Replace cool water chiller with low efficiency	4	40,833	21	2	149,365	73.9	4	161,400	79.73
Total		83,949	43		152,740	75.6		484,914	239.55



KGI Securities Achieves Three Consecutive Years of Carbon Emission Reduction, Earning External Recognition for Its De-carbonization Performance

KGI Securities was honored with the “2024 Taipei City Net-Zero Benchmark Award – Corporate Excellence Category” in recognition of its proactive efforts in promoting environmental sustainability. The company designated its headquarters building as a demonstration site, replacing inefficient chillers and adopting energy-saving LED lighting. It also implemented internationally recognized standards, including ISO 14001 (Environmental Management), ISO 50001 (Energy Management), and ISO 14064-1 (Greenhouse Gas Inventory), to ensure effective environmental governance. These outstanding results earned KGI Securities the prestigious benchmark award from Taipei City.



### 5.3.2 Water Resources and Waste Management

Reducing waste from the source and saving the use of various resources have been the core spirit of KGI Securities for resource conservation management.

KGI Securities continued to update its water conservation equipment starting from 2021, adopted water-saving toilets, adjusted the water flow of taps, and modified daily washing and cleaning operations in the staff canteen. The company regularly examined water consumption status to reduce unnecessary consumption and regularly performs management and repair for water consumption equipment and pipelines. In 2024, seven cases of water leakage caused by equipment or pipeline anomalies were found, and the repair was completed in a timely manner. The major water consumption of the Company is domestic, staff canteen, and A/C water consumption, and the water source is the local water plants; the Company does not use groundwater and water from rivers. In addition, an oil-water separator is installed at the staff canteen of the headquarters in the Dazhi Building, and regular cleaning is performed to reduce water pollution. In 2024, there was no water pollution caused by leakage.

#### Statistics on Water Resource Consumption

Statistics	2022	2023	2024
Water consumption (thousand m3)	101.94	102.51	94.71
Water consumption per capita (thousand m3)	0.0290	0.0300	0.0266
Carbon emissions (tCO2e)	16.41	15.99	14.78

Note:

- The organizational boundary for the inventory in 2024 includes KGI Securities and its subsidiaries/branches in Taiwan: KGI Securities Investment Advisory Co., Ltd., KGI Futures Co., Ltd., KGI Insurance Brokers Co., Ltd., and KGI Venture Capital Co., Ltd.
- The water withdrawal and water consumption of the Company are the same.
- The water withdrawal of the Company is from Taiwan Water Corporation. Taiwan is a non-water resource pressure area; the total dissolved solids of water quality testing are ≤ 1,000 mg.
- Carbon emissions equivalents generated from water withdrawal/consumption calculated were based on the CO2e for the production of 1 m3 of water announced by Taiwan Water Corporation: the coefficient adopted in 2022, 2023, and 2024 was 0.161 kg CO2e/m3, 0.156 kg CO2e/m3, and 0.156 kg CO2e/m3.
- Water withdrawal/consumption per capita = total water withdrawal/consumption/number of formal employees within the inventory scope, a total of 3,561 persons.

KGI Securities will continue to promote waste reduction measures, promote general garbage reduction, implement resource recycling and garbage classification, and promote waste reduction and plastic reduction through environmental sustainability initiatives to improve internal environmental protection awareness, and jointly contribute to waste reduction.

#### Statistics on Waste Generation

		unit: ton					
Non-recyclables	Waste category	2022 (Headquarters of KGI Securities at Dazhi Building)	2022 (Other business locations)	2023 (Headquarters of KGI Securities at Dazhi Building)	2023 (Other business locations)	2024 (Headquarters of KGI Securities at Dazhi Building)	2024 (Other business locations)
	General garbage — landfill	3.41	10.37	3.25	9.66	3.05	13.47
	General garbage — can be used for energy purposes after incineration	60.60	174.64	57.86	171.95	61.77	273.14
Total volume of non-recyclable wastes		64.01	184.46	61.11	181.61	64.82	286.61
Recyclables	Waste category	2022 (Headquarters of KGI Securities at Dazhi Building)	2022 (Other business locations)	2023 (Headquarters of KGI Securities at Dazhi Building)	2023 (Other business locations)	2024 (Headquarters of KGI Securities at Dazhi Building)	2024 (Other business locations)
	Kitchen scraps	45.30	-	44.8	-	44.35	-
	Recyclable garbage (including paper, bottles, and cans)	22.85	65.75	20.49	60.89	22.41	49.63
Total volume of recyclable wastes		68.15	65.75	65.29	60.89	66.76	49.63
Total volume of waste		132.16	250.20	126.40	242.50	131.58	336.24
Ratio of waste that can be used for energy purposes after recycling and incineration		97.42%	96%	97.43%	96.02%	97.68%	96%

Note:

- Other business locations refer to branches, business locations, and other domestic subsidiaries of KGI Securities, excluding the Dazhi Building, within the inventory scope of KGI Securities in 2024.
- The number of formal employees in the inventory scope of the Dazhi Building of KGI Securities in 2024 was 1,030 persons; the number of formal employees in the inventory scope of other business locations was 2,531 persons, totaling 3,561 persons.
- Weighing was adopted for the data on the waste (including the volume of recyclable garbage) of the headquarters in the Dazhi Building. The data on the waste of other business locations was calculated based on the Ministry of Environment's figure of 1.359 kg of waste per capita per day\*the number of working days announced by the Directorate-General of Budget, Accounting and Statistics\*1/3, then multiplied by the total number of persons of other locations. After completing the inventory of the Dazhi Building, non-recyclable waste per capita was calculated and then multiplied by the total number of persons of other locations; the same shall apply to the recyclable garbage.
- Based on the average data from 2020 to 2022 according to the garbage clearing status announced by the Environmental Protection Administration in May 2023, the ratio of non-recyclable waste incinerated was 94.68%, and the ratio of waste processed through sanitary landfills was 5.32%, the estimation of which was based on this ratio. The calculation method for waste generated in 2024 was based on the 2024 Yearbook of Environmental Protection Statistics by the Ministry of Environment. It uses the three-year average data from 2021 to 2023. The treatment methods for general waste show that 95.3% of the waste volume was incinerated, while 4.7% is processed through landfill. These ratios are used for the estimation.

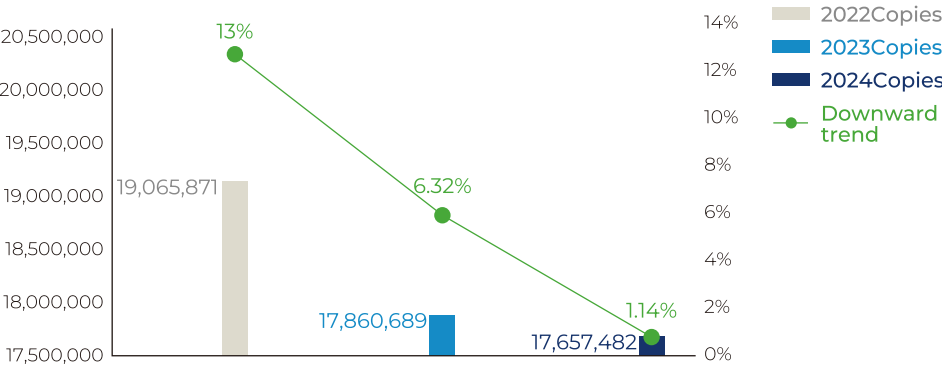
Promotion of the Paperless Policy

In response to environmental friendliness, KGI Securities actively promotes paperless business services (i.e., video electronic signature/stamp value-added service, online/app order placing, and electronic statements). Meanwhile, it promotes electronic operating procedures, reduces the use of paper, and has electronic versions of the internal regulations added (amended), risk rating application forms, petitions, proposals of the Board or proposals of relevant committees, and relevant documents. The paperless achievements that can be quantified for the year are as follows. A total of 787,587 sheets of paper and 11,447 paper bags were saved, equivalent to a reduction of 7.1 metric tons of carbon dioxide equivalent (tCO2e).

Digitalized Operations		Number of sheets saved in 2023	Number of sheets saved in 2024
Digitization of Important Meetings	Digitalization of Board of Directors and original proposal forms and agendas	169,291	168,672
Procurement procedure	Digitalized procurement procedures	21,625	20,636
Electronic document receipt and dispatch system	External correspondence, official documents, and files are received and sent using the electronic receipt and dispatch system	108,340	114,470
Electronic official documents system	Digitalization of internal approval forms	629,642	483,809
Total sheets of paper saved		928,898	787,587
Total kraft paper bags saved		10,831	11,447
Estimated carbon reduction volume (tCO2e)		8.8	7.1

Note: The reduction amount equivalent to 2 metric tons of carbon dioxide (tCO2e) was calculated based on values on the Carbon Footprint Information Platform of the Environmental Protection Department. The carbon emissions of one sheet of A4 paper are approximately 0.0072 kg, and the carbon emissions of one kraft paper bag are approximately 0.122 kg.

In addition, in response to the circular economy, KGI Securities rents printers with the environmental protection label, controls the printing and encourages printing on both sides or printing multiple pages on the same paper, as well as paper recycling for reuse. Meanwhile, it uses environmental toners and consumables that are recycled and reused by the company after use. In 2024, the number of copies printed using printers continued to decline, decreasing by 1.14% compared to the preceding year.






# 5.4 Environmental sustainability initiatives

To allow the concept of "green operation" to be deeply rooted in the organization and effectively implement environmentally friendly measures, the Company formulates and promotes multiple policies and promotional measures for issues related to environmental sustainability to move toward the target of environmental sustainability.

## 5.4.1 Support Environmental Sustainability through Actions

The Company hopes to set itself as an example. It actively entered into conventions with organizations related to environmental friendliness, and it promoted multiple green office and energy-saving and carbon reduction measures to internal employees, as well as organized lectures related to sustainable development, to promote and implement the philosophy of environmental sustainability through actions.

External co-organizers		Environmental sustainability initiatives
 <div>Government organization</div>		<p>Continued to support the Environmental Protection Department's "I Want to Respond to Green Office" initiative, and further became a member of the Ministry of Environment's "Green Lifestyle Partnership" in 2025, when we joined hands with the Ministry of Environment to promote industrial exchange and cooperation.</p>
		<p>Continued to support the Ministry of Agriculture's "Sustainable Agriculture ESG Project," actively participating in sustainable practices from farm to table, jointly creating a new chapter in ESG.</p>
 <div>Non-government organization</div>		<p>Continued to support the "RE10x10 Climate Declaration" initiated by the international organization Greenpeace, taking practical actions to respond to the energy transformation and energy efficiency advocated by the UNFCCC, and jointly advancing towards sustainable energy with other Taiwanese enterprises.</p>
		<p>Continued to support CommonWealth Magazine's "Tamsui River Convention" and consistently encouraged employees to respond through actions, initiating beach cleaning and habitat protection events.</p>
		<p>For four consecutive years, we have participated in "Earth Hour". By turning off the lights for one hour at business locations across Taiwan, we actively practice sustainability and raise public awareness of climate change issues, collectively safeguarding our planet.</p>
 <div>The general public</div>		<p>In response to the Business Today's "Ocean Restoration 2.0," we joined hands with other financial industry peers to conduct a beach cleaning event. Through the power of the media, we publicly called for increased attention to the issue of marine waste and promoted waste reduction at the source, supporting the circular economy.</p>
		<p>A total of 20 exhibition events were held at the headquarters building and multiple branch offices in the northern, central, and southern regions to promote marine sustainability and the circular economy, thereby expanding the reach of these issues to a broader population.</p>



Internal Initiatives

Environmental sustainability initiatives



Sustainable development lectures

In 2024, we invited professional environmental education organizations for cross-sector sustainability awareness promotion and invited internal employees to jointly listen to the opinions of nature. A total of eight sustainability development lectures were held, covering environmental sustainability topics including biodiversity, marine sustainability, sustainable diets, and marine waste reduction. A total of 3,520 participants attended the lectures for a total of 3,520 hours.

KGI Securities organized **8** sustainability seminars, with a total of **3,520** participants and **3,520** cumulative training hours.



Habitat protection activities

The Company selected a low mountain ecological area near a business location—the Aliban Ecological Farm in Shimen District, New Taipei—to invite employees to participate in habitat protection work, protecting precious and rare second-level conservation species such as the Taipei frog, in order to uphold the goal of biodiversity conservation. Three habitat protection events were organized in 2024: 96 employees participated to complete a total of 288 hours of volunteer service.

In 2024, KGI Securities Organized **3** Habitat Conservation Activities. A total of **96** employees participated, contributing **288** volunteer hours to support ecological preservation efforts.



Internal Initiatives

Environmental sustainability initiatives



Daily advocacy

Through the intranet and internal announcements, carbon reduction policies and related measures are promoted to internal staff. The usage of internal energy and resources is statistically compiled and published. Environmental sustainability knowledge was promoted, including measures such as turning off lights during lunch break for one hour, shutting down computers after work, energy-saving patrols by security personnel, promoting a daily 10,000-step walking activity, encouraging employees to reduce elevator use and take the stairs, and enabling automatic sleep mode on office equipment. These initiatives aim to achieve sustainable operations progressively through the environmentally friendly actions of each employee.



Sustainable food and beverage activities

The Company has set a benchmark for green restaurants. The staff canteen was certified as an "Environmental Restaurant" by the Ministry of Environment in 2022. In 2023, it received the "Green Food Pioneer Award" from the Green Dining Guide. Furthermore, in 2024, along with KGI Financial, it ranked 10th in the Large Enterprise Financial Industry Category for Excellence in Corporate Social Responsibility. The "Green Food Declaration" was implemented through four major strategies: healthy eating, local ingredients, waste reduction at the source, and mindful ordering, to closely integrate sustainable development into employees' daily lives.

Promotion of green restaurants:

- Disposable tableware was not used, and only ceramic tableware was provided to significantly reduce the amount of waste generated.
- Organic and locally sourced seasonal ingredients were actively utilized; we adhered to the principles of sustainable ecology and marine conservation, striving to minimize additives, offer vegetarian meal options, and reduce resource waste. In 2024, 3,894 kilograms of organic ingredients were used.
- Promoted responsible procurement; a small farmers' market was hosted every quarter, inviting farmers to set up stalls at the company, allowing employees to directly purchase and support environmentally friendly products. In 2024, a total of three small farmers' markets were held.
- Organized activities featuring sustainable development and Red Meat-Free Light Meal Days, enabling every colleague to participate in green living and experience the positive impact of sustainable development. In 2024, a total of 35 events were held.
- Through corporate visits, the Company showcased successful cases of promoting sustainable dietary activities, shared insights on implementation and employee participation, and expanded its influence.

In 2024, KGI Securities Used **3,894** Kilograms of Organic Ingredients  
The company hosted **3** farmers' markets and organized **35** sustainability-themed events, promoting eco-friendly consumption and local agricultural support.



To advocate for responsible sourcing, we organized a farmers' market and invited local farmers to showcase and sell their produce on-site at the company."



Ocean Sustainability Exhibition: Promoting Three Actions to Protect the Ocean – Beach Cleanups, Building a Marine Waste Circular Economy, and Sustainable Seafood Activities.



Promoting the concept of responsible procurement by organizing a farmers' market and inviting local farmers to set up stalls at the company.

## 5.4.2 Sustainable Procurement

KGI Securities actively responded to the green policies of the government and implemented the green procurement plan. The Company, together with KGI Financial Holding, held the annual supplier conference on Earth Day, April 22, 2024, with the theme "Challenges and Opportunities for Taiwan's Supply Chain under the Global Sustainability Wave." A special lecture was arranged to collaborate with group suppliers in advancing towards the sustainable goal of net-zero carbon emissions. A total of over 100 companies participated. During the lecture, KGI Financial shared the collective achievements of its subsidiaries in actively implementing corporate sustainability, leveraging corporate influence, and collaborating with suppliers to build a sustainable supply chain.

### Green procurement policy

The Company is committed to and supports sustainable procurement and actively implements the three major principles of the "principle of requirement identification," "green procurement," and "local procurement" to ensure that the products and services procured by the Company comply with SDG 12 "Responsible Consumption and Production" through the observation of the three major principles:

- The "principle of requirement identification" allows KGI Securities to effectively evaluate its requirements, avoid unnecessary and excessive procurement, save resources, and reduce waste;
- Through the principle of "Green Procurement," KGI Securities encourages the selection of environmentally friendly products and services to reduce environmental impact;
- Adhering to the principle of "local procurement" not only helps support the local economy and community development but also contributes to reducing carbon emissions and logistics transportation costs.

Implementing relevant measures through the three major principles of sustainable procurement, KGI Securities declared its firm commitment to responsible consumption and production in operation through actions strived to promote sustainable development and fulfill corporate social responsibility.



#### Principle of Requirement Identification

Needs-based procurement, seek resource saving, and avoid resource waste by adopting "necessary and not excessive" as the core concept for procurement.



#### Green Procurement

Prioritize equipment or products of low pollution, low energy consumption that are recyclable and have the environmental protection label and certification, avoid the procurement of disposal items, and continued to encourage suppliers to obtain or sell products with the environmental protection label and certification.



#### Local Procurement

To reduce unnecessary consumption of products during the course of transportation and resource consumption and improve the development of local economy, the Company actively procures from local enterprises in Taiwan.

To realize the target of net zero and carbon reduction of operations and mitigate risks related to climate change, KGI Securities will continue to implement and promote the green procurement policy to adopt environmentally friendly products and renewable energy as the major procurement target, formulate necessary items and prioritized items for green procurement, divide energy consumption requirements, and move toward the target of energy conservation by adopting the most efficient method to use resources.





Necessary  
Items for  
Green  
Procurement

- 1 Purchase services, PC, NB, monitors, and other equipment through contracts and fully adopt products with the Energy Start Certification or green environmental protection labels.
- 2 Purchase printing papers through contracts and fully adopt paper products with FSC, PEFC, and other environmental protection labels.
- 3 Lease printers and toner cartridges of different colors and drum cartridges, purchase toner cartridges of printers through contracts, and fully adopt products with green environmental protection labels.
- 4 Select printer companies with the circular economy certification as cooperating partners to recycle the waste toner to produce black slurry ink through the toner recycling system for circular utilization to reduce the requirements for carbon black raw resources and contribute to the circular economy while helping to reduce the negative effects on the environment.



Prioritized  
Items for  
Green  
Procurement

- 1 Select products with green environmental protection labels when leasing company cars, and select products with carbon reduction labels for services.
- 2 Prioritize products with green building material labels and water-saving labels for renovation constructions.
- 3 Prioritize products with green environmental protection labels, energy-saving labels, and Energy Star for equipment or appliances of different categories.
- 4 Priority shall be given to and suppliers shall be encouraged to obtain ISO certifications related to energy conservation and carbon reduction for their own operations or for the products and services they sell. Such certifications include ISO 14001 Environmental Management, ISO 50001 Energy Management, ISO 14067 Product Carbon Footprint, and ISO 14064 Greenhouse Gas Inventory. Prioritize and encourage suppliers to obtain ISO certifications (ISO 14001 environmental certification items, ISO 50001 energy management certification, ISO 14067 product footprint certification, and ISO 14064 GHG inventory certification) related to energy-saving and carbon reduction for the products and services of their own or they sell.

Supplier management system

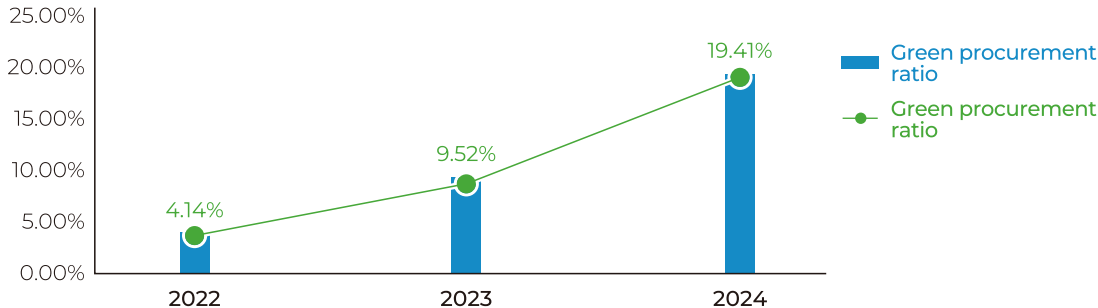
In addition to implementing green procurement internally, the Company also follows the financial holding group's policies to continuously strengthen the external supplier management system and has established the "Supplier Sustainability Management Guidelines." Through measures such as pre-screening, contract performance management, on-site inspections, annual supplier evaluations and self-assessments, irregular supplier corporate responsibility advocacy, and annual recognition of outstanding suppliers, the Company requires all suppliers to sign the "Supplier Sustainability Responsibility Commitment Letter." This letter stipulates that "the signatory agrees to comply with both their own and the Company's corporate sustainability development and integrity management policies. If violations or significant impacts on the environment and society or major dishonest acts are verified, the Company reserves the right to terminate or rescind the contract according to the agreement." The Company and its suppliers jointly commit to complying with labor rights and human rights (including the prohibition of child labor), labor health and occupational safety and hygiene, environmental protection, and ethical business conduct regulations. This cooperation promotes economic, social, and environmental ecological balance and the sustainable development of corporate operations in business collaborations.

In accordance to "Procedures for Supplier's Sustainability," the Company actively promotes the following matters to all suppliers:

Protection of Labor Rights and Interests	Environmental Protection	Ethical Corporate Management and Moral Specifications
<p>The Company promotes to suppliers the relevant laws and regulations on occupational safety and health, and emphasize the following labor rights protection issues:</p> <p>(I) The employment of child labor shall comply with relevant laws and regulations.</p> <p>(II) No forced labor.</p> <p>(III) No discrimination in any form.</p> <p>(IV) Respect the freedom of association and negotiation.</p> <p>(V) Comply with laws and regulations related to labor health and occupational safety and health and comply with the regulations related to construction safety and health and environmental management formulated by the Company.</p>	<p>(I) Suppliers shall attach attention to issues related to environmental protection and energy conservation, implement a corporate culture of sustainable environmental development, and strive for caring for the earth, treasuring resources, and environmental protection and energy conservation.</p> <p>(II) Suppliers shall attach special attention to no having material negative effects on the environment or violating environmental protection regulations and comply with relevant environmental protection policies and directions.</p> <p>(III) Suppliers shall fulfill corporate social responsibilities and obligations, and the content includes the following:</p> <ol style="list-style-type: none"><li>1. Comply with policies related to corporate social responsibilities.</li><li>2. If suppliers are involved in the violation of corporate social responsibility commitments (including but not limited to the protection of labor rights and interests, environmental protection, and supplier protection) and cause significant effects on the environment and society, the Company may terminate or cancel the contracts according to relevant contractual terms.</li></ol>	<p>(I) Suppliers shall comply with the Ethical Corporate Management Best Practice Principles and relevant specifications, including but not limited to honest operation, fair transaction, open information, and avoiding unjust revenue and untrue advertisements, and comply with intellectual specifications related to property rights.</p> <p>(II) When entering into contracts with suppliers, suppliers shall be willing to trade with the Company via open and transparent methods based on the principle of ethical corporate management. If suppliers are involved in unethical behaviors that are severe, the Company may terminate or cancel the contracts according to relevant contractual terms.</p>

Through the strict control of green procurement, the green procurement ratio of the Company in 2024 reached 19.41% (the procurement amount was NT\$111,551,466), representing a growth of 56%.

■ Green procurement ratio



# 5.5 Social Co-prosperity

Apart from sparing no effort in providing premium and professional services within its main business of securities, KGI Securities also attaches great attention to the sustainable development of society and actively organizes various public welfare activities to give back to society and achieve social co-prosperity. In 2024, we continued to organize public welfare activities, further expanding their diversity. Throughout the year, nearly 30 events were held, with employees contributing over 30,000 hours of participation. Remarkable achievements include leading the financial industry for three consecutive years in both the number of sessions and participants for beach cleaning activities, as well as setting a record by collecting over 1,000 gift shoeboxes for children in remote rural areas. These accomplishments highlight the enthusiastic involvement of KGI Securities employees in public welfare activities, actively conveying care and compassion.

## Love, Starting From Elementary School

In 2024, a total of **508** disadvantaged students were assisted.



Provide scholarships to students from economically disadvantaged families to ensure that underprivileged students can pursue their education with peace of mind.

## Emergency relief

In 2024, we helped **70** families with difficulties and assisted with the reconstruction of Mennonite Christian Hospital Hualien following the 0403 Hualien earthquake. The Company and its employees donated approximately NT\$ **6.4 million** to assist in post-disaster recovery and reconstruction.



Provided emergency relief funds to families suddenly affected by unforeseen circumstances.

## Let Love Flower

Funded nutrition and English learning resources for economically disadvantaged students from remote areas.

In 2024, a total of **5,616** disadvantaged students were assisted.

## "One Song" Concert

Deeply cultivating talent development and strongly supporting the development of Taiwan's classical music culture, we sponsored the "One Song" concert performed by a local Taiwanese orchestra.

In 2024, a total of **2** events were sponsored.



Bread of Care

In 2024, a total  
of **665** subscriptions  
were purchased.



Subscribe monthly with a fixed amount of NT\$100 to purchase products from sheltered workshops, supporting stable employment for individuals with physical and mental disabilities.

Donate Invoices to Help Persons with Down Syndrome

Collect and donate invoices to the Children Are Us Foundation each month to serve as learning and care resources.

Collected over  
**150,000** invoices in  
2024.

Christmas Shoe Box with Gifts

Collected over **1,000** gifts in December  
2024 with nearly **1,100** participants, setting  
a new record.



Collected shoe boxes with gifts that have school supplies inside. Employees who were volunteers participated in the donation, clearing up, packaging, and delivery to local remote students.

Toy Recycling

**1** online lecture and **8** physical  
volunteer activities were organized in  
2024 with **161** participants.



Assisted in the clearing up, classification, and cleaning of second-hand toys to extend the value of toys and bring the resources into remote kindergarten and disadvantaged institutions.



Meals and Food

In 2024, a total of **330** boxes of supplies were packaged, with **25** participants.



Assisted the Andrew Food Bank by packaging dry food, food items, and children's books into 'food boxes' to support underprivileged children and the elderly.

Helping the Vulnerable, Spreading Love

**8** physical volunteer activities were organized in 2024 with **25** participants.



Collaborated with the Chiling Charity Foundation to assist in organizing charity sale items and hygiene products to support disadvantaged organizations and girls in rural elementary schools.

Help the Blind Read

Provided abundant learning and education resources to persons with visual disabilities through e-book typesetting volunteer services.

Produced **800** books in 2024 with over **81,000** pages of typesetting of e-books.

Donate Old Book for the Blind

Cooperated with the Taiwan Foundation for the Blind, encouraged employees to donate old books, and converted them into charitable donations to assist persons with visual disabilities to gain more learning resources.

A total of **1,060** books were donated in 2024, with **25** participants involved.



Guide Dog Care

2 online lecture and 10 physical  
volunteer activities were organized in  
2024 with 95 participants.



Joined hands with Huikuang Guide Dog Foundation Taiwan to learn and care for the protection of rights and interests of persons with physical disabilities and qualified guide dogs and create a barrier-free environment.

Blood Donation Activities

3 activities were  
organized in 2024, with 300  
bags of blood collected.



Employees are called upon to be volunteers in blood donation activities and encourage blood donations to assist in solving the shortage of blood through actions.

Beach Cleaning Team

In 2024, a total of 33 beach cleanup events were held, with nearly 900 participants. Over 1,480 kg of marine debris were collected. The number of cleanup events and participants ranked first in the financial industry. Furthermore, the Company actively responded to the New Taipei City Government's "Corporate Beach Cleanup" initiative by committing to adopt the coastline of New Taipei City.

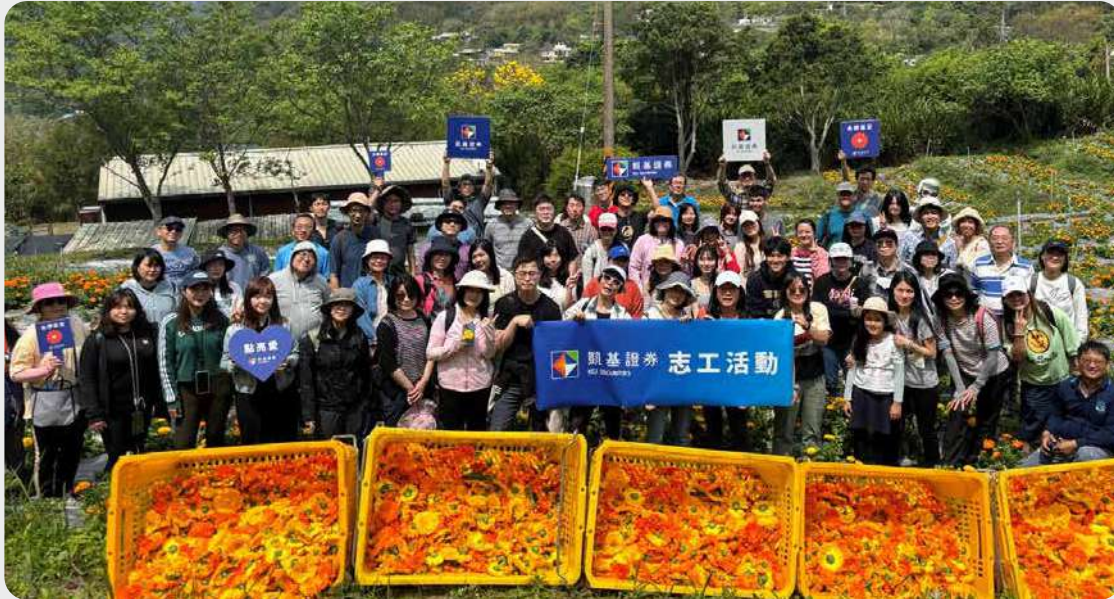


Encouraged employees to form teams to clean beaches to protect the coastal line and marine ecology in Taiwan.



## Help Small Farmer Work

1 online lecture and 2 farming experience activities (calendula farm) were organized in 2024 with 122 participants.



Called upon employees to assist in farm work, support local small farmers through actions and implement the social responsibility of common good with the environment.

## Purchase platform for products from independent farmers

Encouraged employees to support environmentally friendly farming practices, actively support local small farmers, promote local low-carbon consumption, and foster a corporate culture that connects businesses and communities to achieve mutual benefits and shared prosperity.

In 2024, a total of 175 boxes of locally sourced agricultural products were procured.

## Dream Home Construction

In 2024, a total of 2 charity concert volunteer events were held, with proceeds used to assist disadvantaged families in home organization. A total of 25 participants were involved.



Called upon employees to join hands with the Heng-Shan Social Welfare Foundation and participate as volunteers in housing organization or cultural and artistic activities to actively assist disadvantaged families in having a safe and comfortable shelter.

## Helping the Blind Move Forward

Collaborated with the Taipei Parents' Association for the Visually Impaired to conduct life rehabilitation courses for the visually impaired, assisting them in learning self-care skills, and jointly promoting equal rights in reading for the visually impaired.

4 online lectures and 15 physical volunteer activities were organized in 2024 with 38 participants.



Godot Theatre Company Cultural  
and Creative Sunshine Project

1 performance activity  
was sponsored in 2024.



Through sponsoring the Sunshine Foundation's "Godot Theatre Company Cultural and Creative Sunshine Project," individuals with facial disfigurements, the hearing impaired, and elderly people living in hardship are invited to dine and enjoy theatrical performances, providing these disadvantaged groups with a new experience.

KGI Securities has ranked first in the financial industry for three consecutive years in beach cleaning achievements, and continued to commit to adopt the coastline of New Taipei City.

KGI Securities has long been committed to supporting disadvantaged groups and environmental issues, actively encouraging employees to participate in environmentally friendly volunteer activities. The employees of KGI Securities performed beach cleaning in most of the coastal administrative districts in New Taipei City, including Tamsui, Wanli, Linkou, Bali, Shimen, and Ruifang. In 2024, we once again responded to the "Coast Adoption" campaign organized by the Environmental Protection Bureau of New Taipei City Government, committing to jointly maintain the coastal environment of New Taipei. At the same time, with the goal of promoting sustainable development, we organized diverse environmental advocacy, lectures, and activities, hoping to inspire more enterprises to value environmental ecology through concrete actions.

According to data from the Ministry of Environment's Coastal Cleanup Adoption System, KGI Securities has achieved the top position in the financial industry for beach cleanup results for three consecutive years. In 2024, employees proactively initiated 33 beach cleanup events, with nearly 900 participants, collectively collecting approximately 1,500 kg of marine debris. These accomplishments rank first among domestic financial institutions. In the future, KGI Securities will adhere to the same philosophies, duly fulfill corporate social responsibility, and continue to invest in relevant activities to make the coast of Taiwan cleaner and allow the ecology of the earth to become healthier.







# Appendix

- 110** GRI Standards Index
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# GRI Standards Index

Disclosure Item #	Disclosure Item	Corresponding Chapter
GRI 2: General Disclosures		
2-1	Organizational Details	About KGI Securities
2-2	Entities Included in the Organization's Sustainability Reporting	About the Report
2-3	Reporting Period, Frequency and Contact Point	About KGI Securities
2-4	Restatements of Information	N/A; no instances of information restatement during the current fiscal year.
2-5	External Assurance	About the Report
2-6	Activities, Value Chain and Other Business Relationships	About KGI Securities
2-7	Employees	4.1.1 Workforce Composition and Diversity & Inclusion
2-8	Non-Employee Workers	4.1.1 Workforce Composition and Diversity & Inclusion
2-9	Governance Structure and Composition	1.2 Sustainability Governance Structure Governance Framework
2-10	Nomination and Selection of the Highest Governance Unit	2.1.2 Board of Directors Structure
2-11	Chairperson of the Highest Governance Unit	2.1.2 Board of Directors Structure
2-12	Role of the Highest Governance Unit in Overseeing Impact Management	1.2 Sustainability Governance Structure
2-13	Delegation of Responsibility for Managing Impacts	1.2 Sustainability Governance Structure
2-14	Role of the Highest Governance Unit in Sustainability Reporting	1.2 Sustainability Governance Structure
2-15	Conflicts of Interest	2.1.2 Board of Directors Structure
2-16	Communication of Critical Concerns	2.1.5 Ethical Corporate Management and Regulatory Compliance
		No cases were reported to or communicated with the Board of Directors this year through grievance mechanisms or by stakeholders regarding negative impacts arising from the Company's operations.
2-17	Collective Knowledge of the Highest Governance Unit	2.1.2 Board of Directors Structure
2-18	Evaluation of the Performance of the Highest Governance Unit	2.1.3 Board of Directors Performance Evaluation
2-19	Remuneration Policies	2.1.4 Remuneration Policy for Governance Units and Senior Management
		4.2.1 Talent Retention
2-20	Process to Determine Remuneration	2.1.4 Remuneration Policy for Governance Units 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	Chairman's Message
2-23	Policy Commitments	2.1.5 Ethical Corporate Management and Regulatory Compliance
2-24	Embedding Policy Commitments	2.1.5 Ethical Corporate Management and Regulatory Compliance

Disclosure Item #	Disclosure Item	Corresponding Chapter
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 Regulatory Compliance
2-27	Legal Compliance	2.1.5 Ethical Corporate Management and Regulatory Compliance
2-28	Association Memberships	About KGI Securities
2-29	Approach to Stakeholder Engagement	1.3 Engagement and Communication with Stakeholders
2-30	Collective Bargaining Agreement	N/A; no collective bargaining agreements were signed during the current fiscal year.
GRI 3: Material Topics		
3-1	Process to Determine Material Topics	1.4 Material Topic Analysis and Management Approach
3-2	List of Material Topics	1.4 Material Topic Analysis and Management Approach
3-3	Management of Material Topics	1.4 Material Topic Analysis and Management Approach
GRI Indicators Corresponding to Material Topics		
Service Quality and Customer Relations		
417-1	Requirements for Product and Service Information and Labeling	3.1.2 Financial Products and Services
Talent Retention and Development		
201-3	Defined Benefit Plan Obligations and Other Retirement Plans	4.3.1 Employee Care
401-1	Labor-Employer Relations – New Hires and Departing Employees	4.1.2 Talent Recruitment
401-2	Labor-Employer Relations – Benefits Provided to Full-time Employees (Excluding Temporary or Part-time Employees)	4.3.1 Employee Care
401-3	Labor-Employer Relations – Parental Leave	4.3.1 Employee Care
402-1	Labor/Management Relations – Minimum Notice Periods Regarding Operational Changes	4.3.1 Employee Care
404-1	Training and Education – Average Hours of Training per Year for Each Employee	4.2.2 Employee Training and Development
404-2	Training and Education – Employee Skills Development and Transition Assistance Programs	4.2.2 Employee Training and Development
404-3	Training and Education – Percentage of Employees Receiving Regular Performance and Career Development Reviews	4.2.2 Employee Training and Development
405-1	Diversity of Governance Units and Employees	4.1.1 Workforce Composition and Diversity & Inclusion
405-2	Ratio of Basic Salary and Remuneration of Women to Men	4.2.1 Talent Retention
406-1	Incidents of Discrimination and Corrective Actions Taken	4.3.2 Healthy and Safe Workplace
Information Security and Customer Privacy		
418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	2.3.3 Customer Information and Privacy Protection

Disclosure Item #	Disclosure Item	Corresponding Chapter
Green Operations and Climate Change Response Strategies		
201-2	Financial Impacts, Risks, and Opportunities Related to Climate Change for the Organization	5.1 Climate Change Management
302-1	Energy Consumption within the Organization	5.3.1 GHG Emissions and Energy Structure Management
302-3	Energy Intensity	5.3.1 GHG Emissions and Energy Structure Management
302-4	Reduction of Energy Consumption	5.3.1 GHG Emissions and Energy Structure Management
305-1	Direct (Scope 1) GHG emissions	5.3.1 GHG Emissions and Energy Structure Management
305-2	Energy indirect (Scope 2) GHG emissions	5.3.1 GHG Emissions and Energy Structure Management
305-3	Other Indirect (Scope 3) GHG Emissions	5.3.1 GHG Emissions and Energy Structure Management
305-4	GHG Emissions Intensity	5.3.1 GHG Emissions and Energy Structure Management
305-5	Reduction of GHG Emissions	5.3.1 GHG Emissions and Energy Structure 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
306-4	Waste Diverted from Disposal	5.3.2 Water Resources and Waste Management
306-5	Waste Directed to Disposal	5.3.2 Water Resources and Waste Management
Compliance		
206-1	Legal Actions for Anti-competitive Behavior, Anti-trust, and Monopoly Practices	2.1.5 Ethical Corporate Management and Regulatory Compliance
417-2	Incidents of Non-compliance Concerning Product and Service Information and Labeling	2.1.5 Ethical Corporate Management and Regulatory Compliance
417-3	Incidents of Non-compliance Concerning Marketing Communications	2.1.5 Ethical Corporate Management and Regulatory Compliance
Corporate Governance and Ethical Management		
205-1	Business Locations that have Undergone Corruption Risk Assessment	2.1.5 Ethical Corporate Management and Regulatory Compliance
205-2	Communication and Training About Anti-corruption Policies and Procedures	2.1.5 Ethical Corporate Management and Regulatory Compliance
205-3	Confirmed Incidents of Corruption and Actions Taken	2.1.5 Ethical Corporate Management and Regulatory Compliance

Disclosure Item #	Disclosure Item	Corresponding Chapter
Operating Performance		
201-1	Direct Economic Value Generated and Distributed	About KGI Securities
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	5.1 Climate Change Management
201-4	Financial Assistance Received from Government	About KGI Securities
Occupational Health and Safety		
403-1	Occupational Health and Safety—Occupational Safety and Health Management System	4.3.2 Healthy and Safe Workplace
403-2	Occupational Health and Safety—Hazard Identification, Risk Assessment, and Incident Investigation	4.3.2 Healthy and Safe Workplace
403-3	Occupational Health and Safety—Occupational Health Services	4.3.2 Healthy and Safe Workplace
403-4	Occupational Health and Safety—Worker Participation, Consultation, and Communication on Occupational Health and Safety	4.3.2 Healthy and Safe Workplace
403-5	Occupational Health and Safety—Worker Training on Occupational Health and Safety	4.3.2 Healthy and Safe Workplace
403-6	Occupational Health and Safety—Worker Health Promotion	4.3.2 Healthy and Safe Workplace
403-7	Occupational Health and Safety—Prevention and Mitigation of Occupational and Safety Impacts Directly Linked by Business Relationships	4.3.2 Healthy and Safe Workplace
403-8	Occupational Health and Safety—Workers Covered by an Occupational Health and Safety Management System	4.3.2 Healthy and Safe Workplace
403-9	Occupational Health and Safety—Occupational Injuries	4.3.2 Healthy and Safe Workplace
403-10	Occupational Health and Safety—Occupational Diseases	4.3.2 Healthy and Safe Workplace

# SASB—Investment Banking & Brokerage Standards Content Index

SASB Topic	SASB Indicator Code	Metric Type	Disclosure Item	Corresponding Chapter
Employee Diversity	FN-IB-330a.1	Quantitative	(1) Management team; (2) Non-management team; (3) Middle management; (4) Gender ratio and ethnic group representation of all employees	4.1.1 Workforce Composition and Diversity & Inclusion
	FN-IB-410a.1	Quantitative	Disclosure of revenues from underwriting, advisory, and securitization transactions by industry sector	3.1.2 Financial Products and Services
Incorporation of ESG Factors into Investment Banking and Securities Business	FN-IB-410a.2	Quantitative	Disclosure of the total amount and number of investments and loans combined with ESG factors by industry	3.1.1 Responsible Investment
	FN-IB-410a.3	Qualitative	Explanation of incorporating ESG factors into the investment banking and securities business processes and strategies	3.1.1 Responsible Investment 3.1.2 Financial Products and Services
Business Ethics	FN-IB-510a.1	Quantitative	Total amount of fines imposed by the competent authorities for violations involving fraud, insider trading, anti-competitive conduct, antitrust and monopoly practices, corruption, market manipulation, or other illegal activities	2.1.5 Ethical Corporate Management and Regulatory Compliance
	FN-IB-510a.2	Qualitative	Whistleblower system and procedures	2.1.5 Ethical Corporate Management and Regulatory Compliance
Professional Integrity	FN-IB-510b.1	Quantitative	Number and percentage of employees with records of investment-related inquiries, customer complaints, private civil lawsuits, or other regulatory proceedings	2.1.5 Ethical Corporate Management and Regulatory Compliance
	FN-IB-510b.2	Quantitative	Number of mediation and arbitration cases related to professional integrity (including duty of care)	2.1.5 Ethical Corporate Management and Regulatory Compliance
	FN-IB-510b.3	Quantitative	Total monetary losses resulting from legal litigation related to professional integrity (including duty of care)	The Company had no professional integrity-related legal litigation cases in 2024, and therefore did not incur any corresponding financial losses.
	FN-IB-510b.4	Qualitative	Explanation of methods to ensure professional integrity (including duty of care)	2.1.5 Ethical Corporate Management and Regulatory Compliance

SASB Topic	SASB Indicator Code	Metric Type	Disclosure Item	Corresponding Chapter
Systemic Risk Management	FN-IB-550a.1	Quantitative	Global Systemically Important Banks (G-SIB) Score	The Company is engaged in the securities industry and is not subject to this indicator.
	FN-IB-550a.2	Qualitative	Explanation of the stress test results and how to integrate them into capital adequacy planning, the Company's long-term strategy, and other business activities	2.2.2 Embedding a Corporate Risk Culture
Employee Incentives and Risk Taking	FN-IB-550b.1	Quantitative	Percentage of total compensation that is variable for material risk takers	2.1.4 Remuneration Policy for Governance Units and Senior Management
	FN-IB-550b.2	Quantitative	Percentage of total variable compensation for material risk takers subject to clawback and recovery provisions	2.1.4 Remuneration Policy for Governance Units and Senior Management
	FN-IB-550b.3	Qualitative	Discussion on policies related to the supervision, control, and verification of pricing traders for Level 3 assets and liabilities	2.2.2 Embedding a Corporate Risk Culture
Activity Indicators	FN-IB.000.A	Quantitative	Number and amount of underwriting, advisory, and securitization transactions	3.1.2 Financial Products and Services No securitization transactions were conducted in 2024; therefore, no data is available for this item.
	FN-IB.000.B	Quantitative	Number and amount of proprietary trading investments and loans	3.1.1 Responsible Investment
	FN-IB.000.C	Quantitative	Number and value of market-making transactions in fixed income, equity, currency, derivatives, and products	3.1.2 Financial Products and Services



# 2024 Sustainable Development Bond Underwriting List

No. of Transactions	Bond Code	Bond Name	Issuer	Bond Type	Currency	Underwriting Amount (Original Currency)	Underwriting Amount (TWD)
1	B618DT B618DU	P13 TSMC 1A P13 TSMC 1B	TSMC 113-1	Green Bond	TWD	\$600 million \$2.3 billion	\$600 million \$2.3 billion
2	G14006	P13 Crédit Agricole 1	Crédit Agricole CIB 113-1	Green Bond	TWD	\$200 million	\$200 million
3	B903ZJ	P13 Taipower 2B	Taiwan Power Company	Green Bond	TWD	\$1.35 billion	\$1.35 billion
4	G102BC	P13 E.SUN Bank 1	E.SUN Bank 113-1	Green Bond	TWD	\$200 million	\$200 million
5	G12738	P13 Land Bank Taiwan 1	Land Bank Taiwan 113-1	Sustainable Development Bond	TWD	\$1 billion	\$1 billion
6	B618DW	P13 TSMC 2B	TSMC 113-2	Green Bond	TWD	\$2 billion	\$2 billion
7	B903ZM	P13 Taipower 3B	Taiwan Power Company 113-3	Green Bond	TWD	\$50 million	\$50 million
8	B903ZQ	P13 Taipower 4B	Taiwan Power Company 113-4	Green Bond	TWD	\$200 million	\$200 million
9	B903ZS B903ZT	P13 Taipower 5A P13 Taipower 5B	Taiwan Power Company 113-5	Green Bond	TWD	\$500 million \$100 million	\$500 million \$100 million
10	G107CJ	P13 Taipei Fubon Commercial Bank 3	Taipei Fubon Commercial Bank 113-3	Green Bond	TWD	\$900 million	\$900 million

Note: Foreign currency amounts were converted using the exchange rates as of the end of December 2024: CNH 1 = TWD 4.74; USD 1 = TWD 32.781.

No. of Transactions	Bond Code	Bond Name	Issuer	Bond Type	Currency	Underwriting Amount (Original Currency)	Underwriting Amount (TWD)
11	G12449	P13 Taiwan Cooperative Bank 3	Taiwan Cooperative Bank 113-5	Social Bond	TWD	\$100 million	\$100 million
12	B903ZV B903ZW B903ZX	P13 Taipower 6A P13 Taipower 6B P13 Taipower 6C	Taiwan Power Company 113-6	Green Bond	TWD	\$1.08 billion \$300 million \$700 million	\$1.08 billion \$300 million \$700 million
13	G13807	P13 BNP 1	BNP Paribas Taipei 113-1	Green Bond	TWD	\$800 million	\$800 million
14	G14007	P13 Crédit Agricole 2	Crédit Agricole CIB, Taipei Branch 113-1	Green Bond	TWD	\$300 million	\$300 million
15	XS2559727230	ACAFP 3.35 06/26/29	Crédit Agricole CIB	Green Bond	CNH	\$198 million	\$887 million
16	XS2861722531	FABUH Float 07/22/29	First Abu Shabi Bank	Sustainable Development Bond	USD	\$62 million	\$2.032 billion
17	XS2901898291	SHNHAN Float 10/22/29	Shinhan Bank	Green Bond	USD	\$66 million	\$2.164 billion
18	140201	FENC E1 Sustainability Bond	Far Eastern New Century Corporation	Green Bond	TWD	\$704 million	\$704 million
19	140202	FENC E2 Sustainability Bond	Far Eastern New Century Corporation	Green Bond	TWD	\$1.112 billion	\$1.112 billion

# List of ETFs in 2024 for which KGI Securities Acted as Liquidity Provider or Participating Dealer in ESG or Other ESG-Related Indexes

Theme	Ticker Symbol	ETF Name	Role of KGI Securities
ESG	00692	Taiwan 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	SinoPac Global High Quality ETF - SinoPac Taiwan Target Exposure 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 Exchange Traded Fund	Liquidity Provider and Participating Dealer
ESG	00930	SinoPac Taiwan 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	Franklin Templeton SinoAm Taiwan ESG High Dividend ETF	Liquidity Provider and Participating Dealer
ESG	00948B	CTBC Enhanced Yield 15+ Year Investment Grade Senior US Developed Markets Corporate ESG Screened Bond ETF	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
ESG	00883B	CTBC 15+ Year Developed Markets US Corporate Best-in-Class ESG Bond ETF	Participating Dealer
ESG	00891	CTBC Taiwan ESG Leading Semiconductor ETF	Participating Dealer

Theme	Ticker Symbol	ETF Name	Role of KGI Securities
ESG	00920	Fubon Global ESG Green Energy ETF	Participating Dealer
ESG	00928	CTBC TIP Customized TPEx ESG 30 ETF	Participating Dealer
ESG	00936	Taishin TIP Customized Taiwan ESG High Dividend Small/Mid-Cap ETF	Participating Dealer
ESG	00937B	CAPITAL ICE ESG 20+ Year BBB Corporate ETF	Participating Dealer
ESG-related	00894	CTBC TIP Customized Investor Movement Aristocrats 30 ETF	Participating Dealer
ESG-related	00896	CTBC TIP Customized Taiwan Green Energy and Electric Vehicles ETF	Participating Dealer
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 Taiwan Wafer Manufacture ETF	Liquidity Provider and Participating Dealer
ESG-related	00922	Cathay MSCI Taiwan Leaders 50 Select ETF	Liquidity Provider and Participating Dealer

# Securities Firms Sustainability Disclosure Indicators

No.	Metric Type	Indicator	Corresponding Chapter
I.	Quantitative	Number of data breach incidents; proportion of breaches involving personal data; number of customers affected by data breaches	2.3.3 Customer Information and Privacy Protection
II.	Quantitative	Number and value of capital-raising cases assisted for SMEs	No cases conducted in 2024.
III.	Quantitative	Number of participants in financial education for vulnerable groups lacking 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	Applicable Standards
1.1	Number of Information Leakage Incidents in 2024.	<p>According to the company's "Information Security Incident Management Guidelines" and "Information Security Policy," the number of data breach incidents reported in 2024. Data leakage is defined based on whether the data has been leaked outside the company, and such data leakage behavior violates the company's confidentiality and information security management regulations.</p> <p>Note: The company, in accordance with the "Operational Guidelines for Reporting and Responding to Information Security Incidents in the Securities and Futures Market," utilizes the Securities and Futures Market Information Security Reporting System to report incident records to the competent authority (Securities and Futures Bureau). The company also verifies whether the reported incident records include any data leakage incidents.</p>
1.2	Proportion of information leakage incidents related to personal data among all information leakage incidents in 2024.	<p>In accordance with the "Operational Guidelines for Reporting and Responding to Information Security Incidents in the Securities and Futures Market," we utilized the Securities and Futures Market Information Security Reporting System to report incident records to the competent authority (Securities and Futures Bureau). The company also verifies whether the reported incident records include any data leakage incidents and discloses the number of customers affected by data breaches at the Company in the year.</p> <p>Note: "Personal Data," as defined by the Personal Data Protection Act, refers to information that can directly or indirectly identify a natural person, including but not limited to the individual's name, date of birth, national identification number, passport number, characteristics, fingerprints, marital status, family information, education, occupation, contact details, financial status, social activities, special categories of personal data, and other related information.</p>
1.3	Number of Customers Affected by External Information Leakage Incidents in 2024	<p>According to the "Operational Guidelines for Reporting and Responding to Information Security Incidents in the Securities and Futures Market," and utilizes the Securities and Futures Market Information Security Reporting System to report incident records to the competent authority (Securities and Futures Bureau). The company also verifies whether the reported incident records include any data leakage incidents and discloses the number of customers affected by data breaches at the Company in the year.</p>
2	In 2024, number and amount of cases handled for small and medium-sized enterprises raising capital in the capital market.	<p>In 2024, number and amount of cases handled assisting small and medium-sized enterprises raising capital.</p> <p>Note: "Small and Medium-sized Enterprises" are defined according to the latest edition of the "White Paper of Small and Medium-Sized Enterprises," published annually by the Small and Medium Enterprise Administration of the Ministry of Economic Affairs. Specifically, these are enterprises with paid-in capital of less than NT\$100 million or fewer than 200 regularly employed staff.</p>
3	In 2024, the number of participants in financial education for vulnerable groups lacking securities services.	<p>According to the Q&amp;A for the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" issued by the Taiwan Stock Exchange, the definition of vulnerable groups is as follows: Referencing the SASB definition, vulnerable groups lacking access to banking services may include, but are not limited to, students, youth, new immigrants, elderly individuals, ethnic minorities, and low-income households. Financial and insurance industry entities may also provide their own specifications.</p>
4	The amount of sustainable development bonds (corporate bonds or financial bonds) underwritten or assisted in sales by KGI Securities in 2024.	<p>The amount of sustainable development bonds (corporate bonds or financial bonds) underwritten or assisted in sales by KGI Securities in 2024.</p> <p>Note 1: Sustainable development bonds are issued by various issuers who have obtained qualification approval in accordance with the "Operating Guidelines for Sustainability Bonds by the Taipei Exchange" and are announced on the sustainable development bond issuance platform at the Taipei Exchange. Bonds issued by banks are classified as sustainable development financial bonds, while all others are classified as sustainable development corporate bonds.</p> <p>Note 2: Announcement of KGI Securities' Underwriting of Sustainable Development Corporate Bonds: The underwriting announcement has been published by the underwriter in the securities underwriting announcement system of the Taiwan Securities Association. Additionally, the amount of assisted sales for the sustainable development financial bonds is based on the assisted sales contract signed with the issuing bank.</p>
5.1	Disclosure of revenues from underwriting, advisory, and securitization transactions by industry sector.	<p>According to the "SASB – Investment Banking and Brokerage Standards" under "Incorporation of Environmental, Social, and Governance Factors in Investment Banking &amp; Brokerage Activities" FN-IB-410a.1, KGI Securities' 2024 revenue amounts for underwriting, advisory, and securitization transactions by industry.</p>
5.2	Disclosure of the total amount and number of cases of investments and loans combined with ESG elements by industry.	<p>According to the "SASB – Investment Banking &amp; Brokerage Standards" under "Incorporation of Environmental, Social, and Governance Factors in Investment Banking and Brokerage Activities" FN-IB-410a.2, the total amount and number of cases of investments and loans made by KGI Securities in 2024 that integrated ESG factors across various industries.</p>
5.3	Explanation of incorporating ESG factors into the investment banking and securities business processes and strategies.	<p>In accordance with the "SASB – Investment Banking &amp; Brokerage Standards" (FN-IB-410a.3) on the under "Incorporation of Environmental, Social, and Governance Factors in Investment Banking and Brokerage Activities (FN-IB-410a.3), KGI Securities incorporated ESG factors into its investment banking and securities business processes and strategies in 2024.</p>



# Auditor's Assurance Report



## 會計師有限確信報告

資誠綜字第 24012115 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 2024 年度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 2024 年度永續報告書之「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。

上開適用基準係為財團法人中華民國證券櫃檯買賣中心「證券商編製與申報永續報告書作業辦法」與相關問答集及有關法令之規定。

### 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。

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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，包含與選備職業道德規範、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 2024 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。



### 有限確信之結論

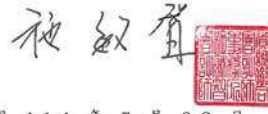
依據所執行之程序與所獲取之證據，本會計師並未發現第一段所述 貴公司所選定之關鍵績效指標在所有重大方面有未依適用基準編製之情事。

### 其他事項

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



中華民國 114 年 7 月 30 日

確信項目彙總表

編號	所選定之關鍵績效指標	章節	適用基準
1.1	2024 年度無資訊外洩事件。	2.3 資訊安全	<ul style="list-style-type: none"><li>依據公司「資通安全事件管理要點」、「資訊異常事故通報及處理須知」、「資訊安全事件通報及應變作業須知」及「異常事項暨重大偶發通報暨處理程序作業辦法」，統計 2024 年度之資訊洩露件數。資訊外洩係以是否外洩至公司以外為基準，且該資訊外洩行為違反公司對保密及資訊安全管理相關規範。</li><li>公司依據「證券期貨市場資通安全事件通報應變作業注意事項」使用證券期貨市場資通安全通報系統，通報主管機關（證期局）事件記錄，並確認通報事件紀錄是否有包含資訊洩漏事件。</li></ul>
1.2	2024 年度與個資相關的資訊外洩事件占有所有資訊外洩事件比例為 0%。	2.3 資訊安全	<ul style="list-style-type: none"><li>依據「證券期貨市場資通安全事件通報應變作業注意事項」使用證券期貨市場資通安全通報系統，通報主管機關（證期局）事件記錄，並確認通報事件紀錄是否有包含資訊洩漏事件及依據公司「個人資料保護</li></ul>

編號	所選定之關鍵績效指標	章節	適用基準
			<p>管理政策」所規範，統計 2024 年度與個資相關資訊外洩事件占比。</p> <ul style="list-style-type: none"><li>個人資料依「個人資料保護法」定義，係指自然人之姓名、出生年月日、國民身分證統一編號、護照號碼、特徵、指紋、婚姻、家庭、教育、職業、聯絡方式、財務情況、社會活動、特種個人資料及其他得以直接或間接方式識別該個人之資料。</li></ul>
1.3	2024 年度無因資訊外洩事件而受影響的顧客。	2.3 資訊安全	依據「證券期貨市場資通安全事件通報應變作業注意事項」使用證券期貨市場資通安全通報系統，通報主管機關（證期局）事件記錄，並確認通報事件紀錄是否有包含資訊洩漏事件，統計於 2024 年度因公司資訊洩漏被影響的客戶數。
2	2024 年度無辦理中小型企業於資本市場籌資之承作案件。	—	<ul style="list-style-type: none"><li>2024 年度公司協助中小型企業於資本市場籌資之件數與金額。</li><li>「中小型企業」依經濟部中小企業處每年出版之最新版《中小企業白皮書》之定義為實收資本額在新臺幣 1 億元以下，</li></ul>

編號	所選定之關鍵績效指標	章節	適用基準								
			或經常僱用員工數未滿 200 人者。								
3	<ul style="list-style-type: none"><li>2024 年 5 月校園爭霸賽，參加對象為大專院校之在學學生，共有 1,789 人報名參賽。</li><li>2024 年 11 月北城科大 X 凱基台股競賽，參加對象為高中(職)及大專院校在學生，共有 690 人參與。</li></ul>	3.1 永續金融	<ul style="list-style-type: none"><li>2024 年度凱基證券舉辦之校園模擬交易競賽之學生人數。</li><li>依據證交所「上市公司編製與申報永續報告書作業辦法問答集」釋義，弱勢族群定義為參考 SASB 定義，缺少銀行服務之弱勢族群得包含但不限於學生、青少年、新住民、老年人、少數民族、低收入戶等，或金融保險業者得自行敘明。</li></ul>								
4	2024 年度承銷永續發展債券之金額為新台幣 195.78 億元。	3.1 永續金融	凱基證券 2024 年度承銷或輔導銷售符合「財團法人中華民國證券櫃檯買賣中心永續發展債券作業要點」之永續發展債券資格認可，並公告於證券櫃檯買賣中心永續發展債券發行資料平台之永續發展債券合計承銷金額。								
5.1	<ul style="list-style-type: none"><li>2024 年度辦理之永續發展股權承銷案件總件數、承銷金額、手續費收入及產業別分布（依行政院主計總處公告之行業統計分類及中類代碼揭露前十大產業之案件金額）</li></ul> <table><tr><th>產業類別</th><th>承銷件數</th><th>凱基證券承銷金額（新台幣仟元）</th><th>手續費收入（新台幣仟元）</th></tr><tr><td>26 電子零組件製造業</td><td>8</td><td>11,906,386</td><td>85,496</td></tr></table>	產業類別	承銷件數	凱基證券承銷金額（新台幣仟元）	手續費收入（新台幣仟元）	26 電子零組件製造業	8	11,906,386	85,496	3.1 永續金融	<ul style="list-style-type: none"><li>依循 SASB 主題「ESG 因子納入投資銀行和證券業務」之指標 FN-IB-410a.1「依產業別揭露結合環境、社會和治理要素的承銷、諮詢和證券化交易的收入」。</li></ul>
產業類別	承銷件數	凱基證券承銷金額（新台幣仟元）	手續費收入（新台幣仟元）								
26 電子零組件製造業	8	11,906,386	85,496								

編號	所選定之關鍵績效指標				章節	適用基準
	25 金屬製品製造業	6	2,346,593	26,207		• 凱基證券 2024 年度辦理之永續發展股權承銷案件總件數、承銷金額、手續費收入依行政院主計總處公告之行業統計分類及小類代碼彙總之前十大產業之案件金額以及總件數及總金額。  • 永續發展股權承銷案件係凱基證券於 2024 年度辦理案件中篩選與環保或節能產品（如電動車、電動腳踏車及綠色能源等）相關、注重綠色供應鏈、取得 ISO 認證、公司治理評鑑表現優異或制度健全者、積極參與新興能源開發或包含 ESG 永續成分股等標的或服務輔導公司。
	46 批發業	1	1,833,660	6,515		
	30 汽車及其零件製造業	3	1,670,095	65,463		
	28 電力設備及配備製造業	1	1,658,725	11,812		
	11 紡織業	1	1,111,800	7,404		
	27 電腦、電子產品及光學製品製造業	1	873,432	8,297		
	63 資訊服務業	2	713,930	13,971		
	20 藥品及醫用化學製品製造業	1	703,800	5,468		
	19 其他化學製品製造業	2	602,777	8,371		
	永續發展股權承銷案件總計	33	25,411,575	301,226		
	全數純屬承銷案件	56	41,177,060	645,576		
	永續發展案件占比	59%	62%	47%		
5.2	• 2024 年度辦理之永續發展財務顧問及輔導服務（依行政院主計總處公告之行業統計分類及小類代碼揭露前十大產業之案件金額）				3.1 永續金融	• 依循 SASB 主題「ESG 因子納入投資銀行和證券業務」編製之指標「FN-IB-410a.1 依產業別揭露結合環境、社會和治理要素的承銷、諮詢和證券化交易的收入」。  • 凱基證券 2024 年度辦理之永續發展財務顧問及輔導服務依行政院主計總處公告之行業統計分類及小類代碼彙總之前十大產業之金額以及總金額。
	小類代碼	小類名稱	金額（新台幣仟元）			
	272	通訊傳播設備製造業	142,769			
	303	汽車零件製造業	59,038			
	332	醫療器材及用品製造業	52,134			
	200	藥品及醫用化學製品製造業	47,353			
	433	機電、管運及其他建築設備安裝業	23,146			
	292	其他專用機械設備製造業	15,848			
	264	光電材料及元件製造業	14,072			
	271	電腦及其週邊設備製造業	9,731			
	269	其他電子零組件製造業	2,100			

編號	所選定之關鍵績效指標					章節	適用基準
	620	電腦程式設計、諮詢及相關服務業		2,060			• 永續發展相關之財務顧問及輔導服務案件係凱基證券篩選依照「臺灣證券交易所股份有限公司初次申請有價證券上市公開說明書應行記載事項準則」及「財團法人中華民國證券櫃檯買賣中心證券商營業處所買賣有價證券審查準則」完成之IPO相關案件。
	永續發展相關之財務顧問及輔導服務收入		386,266				
	財務顧問及輔導服務總收入		756,102				
	永續發展案件占比		51%				
6	• 2024 年責任投資具體成果（依行政院主計總處公告之行業統計分類及小類代碼揭露前十大產業的總件數與總金額）					3.1 永續 金融	• 依循 SASB 主題「ESG 因子納入投資銀行和證券業務」之指標 FN-IB-410a.2「依產業別揭露結合環境、社會和治理要素的投資和貸款的總金額及件數」。  • 凱基證券 2024 年度納入責任投資範疇之股權及債權投資依行政院主計總處公告之行業統計分類及小類代碼彙總之前十大產業之件數、公允價值以及投資總件數及總金額。  • 責任投資部位之公允價值係凱基證券依照「責任投資政策」排除風險沖銷部位之自營交易股權及債權部位。
	小類代碼	小類名稱	件數	金額（新台幣百萬元）	投資金額占比		
	640	金融服務業	46	17,987.53	34.76%		
	641	貨幣中介業	9	4,163.80	8.05%		
	610	電信業	5	3,562.55	6.88%		
	180	化學原材料、肥料、氮化合物、塑膠原料及人造纖維製造業	6	2,942.41	5.69%		
	660	證券期貨及金融輔助業	6	2,876.85	5.56%		
	350	電力及燃氣供應業	9	2,244.81	4.34%		
	351	電力供應業	9	2,019.99	3.90%		
	240	基本金屬製造業	7	2,001.62	3.87%		
	261	半導體製造業	30	1,705.32	3.30%		
	649	其他金融服務業	2	1,389.99	2.69%		
	前十大產業之投資總件數及總金額		129	40,894.87	79.02%		
	投資總件數及總金額		389	51,749.85	100%		
7	本公司之責任投資政策將依據下列程序落實於自營交易之買賣決策中，以確保責任投資及永續金融相關政策之推行：					3.1 永續 金融	• 依循 SASB 主題「ESG 因子納入投資銀行和證券業務」之指標 FN-IB-410a.3「說明將

編號	所選定之關鍵績效指標	章節	適用基準
01	一篩選		ESG 因子納入投資銀行和證券業務流程及策略」。  • 凱基證券訂定之責任投資政策及作業流程。
02	一評估及管理		利益衝突管理：透過《員工行為要點》、《內部人員及其關聯戶交易控管作業辦法》、《特定內部人員交易事前申報作業要點》、《道德行為準則》以及《關係人交易作業準則》等規範，於組織內部確認並避免員工行為及關係人交易與投資標的之利益衝突情事。  納入 ESG 風險指標評估：投資之 ESG 風險評估，係依有價證券掛牌地或個別交易方式參採外部可取得且具公信力之 ESG 評等機構評級或評分、發行人有關 ESG 實施之公開揭露資訊或主管機關裁罰資訊等做為評估依據，以辦理買賣決策。  投資後管理：投資後將定期檢視及評估投資標的所涉之 ESG 風險，以作為投資部位調整依據，若發生投資標的涉及負面表列清單之排除標準或評定為高 ESG 風險者，應予以加強控管。  盡職投票政策：針對被投資公司將持續關注並出席其股東會，針對議案表達相關意見。
03	一議合		



編號	所選定之關鍵績效指標	章節	適用基準
	<u>與投資標的議合</u> ：積極與被投資公司或受輔導公司對話與互動，透過實際議合了解被投資公司決策過程，並深入了解投資標的公司之 ESG 決策，並提出相應建議與改善措施，向外推動 ESG 理念之促進。		



External Third-Party Verification Report



### 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 overall service within customer service.  
客戶服務整體服務的提供。

For and on behalf of BSI:



Managing Director BSI Taiwan, Peter Pu

Original Registration Date: 2024-09-12    Effective Date: 2024-09-12  
Latest Revision Date: 2024-09-12    Expiry Date: 2025-09-11

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Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.  
A Member of the BSI Group of Companies.



### Certificate 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 room 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.  
This is in accordance with the Statement of Applicability dated 19 November 2024.

For and on behalf of BSI:



Michael Lam, Senior Vice President, APAC Assurance

Original Registration Date: 2016-12-15    Effective Date: 2022-12-15  
Latest Revision Date: 2024-12-06    Expiry Date: 2025-12-14

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A Member of the BSI Group of Companies.



### 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 business continuity management system in relation to the provision of 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 headquarters and Sanchong branch.

For and on behalf of BSI:



Michael Lam - Managing Director Assurance, APAC

Original Registration Date: 2023-06-28    Effective Date: 2023-06-28  
Latest Revision Date: 2024-04-29    Expiry Date: 2026-06-27

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Taiwan Headquarters: 2nd Floor, No.37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.  
A Member of the BSI Group of Companies.

Certificate 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
- Zhongshan Branch Office

This certificate is valid from 28 April 2025 until 05 April 2026 and remains valid subject to satisfactory surveillance audits.

Issue 5. 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 3930 - www.sgs.com.tw



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bsi.



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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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

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。

此證書的有效期限自 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

t+886 (0)2 2299 3939 - www.sgs.com.tw



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頁 1 / 1



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.

Jonathan H. Hall

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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意見書編號 TW25/00297GG

溫室氣體查驗意見書

2024 年溫室氣體排放資訊

凱基期貨股份有限公司

100502 台北市重慶南路一段 2 號 13 樓

經本公司依據 ISO 14064-3:2019 完成查驗，提出經修改之查驗意見，其符合下列標準要求

ISO 14064-1:2018

直接溫室氣體排放量

21.0811 公噸二氧化碳當量

間接溫室氣體排放量

634.6403 公噸二氧化碳當量

直接與間接溫室氣體總排放量

655.721 公噸二氧化碳當量

簽署人



鮑柏宇

管理與保證事業群副總裁

日期: 2025年06月18日

版次:1

TGP56B-15-1 2501

台灣檢驗科技股份有限公司

248016 新北市五股區(新北產業園區)五工路 136 之 1 號

t (02) 22993279 f (02)22999453 www.sgs.com



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第1頁 共 6 頁

意見書編號 TW25/00296GG

溫室氣體查驗意見書

2024 年溫室氣體排放資訊

凱基證券股份有限公司

104451 台北市中山區明水路 700 號

經本公司依據 ISO 14064-3:2019 完成查驗，提出經修改之查驗意見，其符合下列標準要求

ISO 14064-1:2018

直接溫室氣體排放量

490.0827 公噸二氧化碳當量

間接溫室氣體排放量

11,656.7599 公噸二氧化碳當量

直接與間接溫室氣體總排放量

12,146.843 公噸二氧化碳當量

簽署人



鮑柏宇

管理與保證事業群副總裁

日期: 2025年06月18日

版次:1

TGP56B-15-1 2501

台灣檢驗科技股份有限公司

248016 新北市五股區(新北產業園區)五工路 136 之 1 號

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