

2023

Sustainability Report



CONTENTS

CONTENTS

About this Report	
Message from the Chairperson	
2023 Key Sustainability Performance	
1. About Concord	
2. Sustainability strategy and commitment	
3. Sustainable Governance	
4. Sustainable Finance	
5. Happy Workplace	
6. Environmental Sustainability	
7. Social Co-prosperity	
8. Appendix	

CONTENTS	1
About this Report	2
Message from the Chairperson	3
2023 Key Sustainability Performance	4
1. About Concord	6
1.1 Company Profile	6
1.2 Operational Performance	7
2. Sustainability strategy and commitment	10
2.1 Vision and strategy of sustainable development	10
2.2 Sustainable governance operation	17
2.3 Stakeholders and material topics	19
3. Sustainable Governance	28
3.1 Corporate governance	28
3.2 Risk management	38
3.3 Legal compliance	40
3.4 Ethics and integrity	41
3.5 Information security	44

4. Sustainable Finance	48
4.1 Sustainable responsible investment	48
4.2 Financial innovation and services	52
4.3 Inclusive finance	54
4.4 Customer relationship management	58
5. Happy Workplace	60
5.1 Employee attraction and retention	60
5.2 Talent cultivation and development	62
5.3 Friendly working environment	64
5.4 Compensation, benefits, and employee care	68
6. Environmental Sustainability	72
6.1 Climate change management	72
6.2 Sustainable resource management	77
6.3 Green procurement and supplier management	79

7. Social Co-prosperity	82
7.1 Public welfare goals and strategies	82
7.2 Public welfare highlight activities	84
8. Appendix	
GRI Standards Index Comparison Table	88
SASB sustainable accounting standard comparison table	91
Implementation status of climate-related information	92
BSI GRI Code Independent Assurance Statement	96
ISO 14001:2015 Environmental Management System certification	96
ISO 45001:2018 Environmental Safety and Health System certification	97
ISO 14064-1: 2018 Greenhouse Gas Inventories certification	98
PWC Limited Confirmation Report	99
Summary of Information Assured	100



About this Report

This report adheres to the GRI Universal Standards 2021, published by the Global Sustainability Standards Board (GSSB) in 2021, serving as its primary framework for comprehensive disclosures. Additionally, it also aligns with the "Task Force on Climate-related Financial Disclosures (TCFD)" and the "Sustainability Accounting Standards Board (SASB)" for disclosing relevant sustainable practices.

Reporting Period

Concord Securities regularly issues non-financial information reports every year. In June 2024, Concord Securities will issue its "Concord Securities 2023 Sustainability Report" (hereafter "the Report"), which is the Company's 10th sustainability report and is available for download in both Chinese and English versions from the "Sustainable Development" area of Concord Securities' website. The contents cover Concord Securities' performance in ESG governance, society (human rights), and environmental aspects from January 1 to December 31, 2023, as well as the management and response measures to material topics.

※ Release of the previous version: June 2023

※ The financial statement information in this report is the same as that in 2023 consolidated financial report.

Drafting Basis

Issue unit	Compliance principle
Global Sustainability Standards Board, GSSB	GRI Sustainability Reporting Standards 2021 Edition
Taipei Exchange Rules Governing the Preparation and Filing of	Sustainability Reports by TPEX Listed Companies
Taiwan Stock Exchange	Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
United Nations	Sustainable Development Goals, SDGs
Sustainability Accounting Standards Board, SASB	Investment Banking & Brokerage (December 2023)

Note: The contents of this report are prepared in accordance with the 8 reporting principles of the new edition of GRI General Standards: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

Boundary and Scope of the Report

The scope of disclosure focuses on the activities and services of Concord Securities and its four subsidiaries (Concord Futures, Concord Capital Management, Concord Asset Management, and Concord Insurance Agent). The scope of disclosure accounts for more than 90% of the consolidated net income of Concord Securities, which is no different from the list of entities in the financial statements. All financial figures are calculated in New Taiwan Dollars (NT\$), and all statistical figures are based on internationally accepted indicators. The disclosure of sustainability focuses on Concord Securities, and some chapters' (1.2 Operational Performance, 5, Happy Workplace) disclose data and descriptions cover subsidiaries. In the aspect of environmental sustainability, ISO 14064-1 greenhouse gas inventory is introduced, and the organizational boundary is verified to be Concord Securities Headquarters Building, which also includes 15 branches distributed in North, South and Central Areas, with a total of 16 business locations. The reporting boundary setting includes direct greenhouse gas emissions and removals, indirect greenhouse gas emissions caused by energy input, and organization. If the quantitative indicators disclosed above have special significance, they shall be explained in notes. In this report, "the Company" refers to Concord Securities; "the Group" refers to Concord Securities and its 4 subsidiaries (Concord Futures, Concord Capital Management, Concord

Asset Management, and Concord Insurance Agent). The organizational boundaries of this report are consistent with those covered by the financial statements.

Information on restatement of the report and verification

The report disclosed by the Company contains no information on restatements.

Internal review

- ◆ Each department head shall review the contents and information of each chapter for correctness, and the sustainability team shall collect the opinions of stakeholders, compile report, and submit them to the general manager and the chairperson for review, as well as to the board of directors for approval and issuance.
- ◆ The Board of Directors reviews ESG (environmental, social (human rights) and governance) performance and strategic objectives.

External review

The Company engaged the following units to carry out verification of relevant items.

- ◆ Financial data: [Deloitte]
- ◆ Environmental data: ISO 14001 and ISO 14064-1 [British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI)]
- ◆ Sustainability data: ISO 45001 [BSI]; Standards on Assurance Engagements No. 1 - "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" [PwC Taiwan]
- ◆ Sustainability information: Approved by the Chairperson and verified through the AA1000ASv3 Type 1 Moderate Level Assurance [British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI)]

※ There was no financial relationship between the British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI) and Concord Securities.

The information contained in this report was provided after being reviewed by high-ranking executives of each unit according to the internal management process. It was then published after being reviewed and approved by the Chairperson. The scope of assurance covers information for 2023; the information as of and before December 31, 2021 is excluded from the scope of assurance.

Contact Information

For any inquiries, comments, or suggestions related to this report, please contact:
Ms. Yang, Concord Securities Co., Ltd./Strategic Operation Department
Address: 15F., No. 176, Section 1, Keelung Rd, Xinyi District, Taipei City
Tel.: +886 2 87871888 Ext. 871
Fax: +886 2 87871131
Website: <https://www.concords.com.tw/>
Email: service@6016.com

Reference for financial and non-financial information

Financial information	Non-financial information
Link to the " financial reporting " area on Concord Securities' official website	Link to the " Corporate Sustainable Development " area on Concord Securities' official website
	

Message from the Chairperson

In 2023, most countries around the world gradually transitioned towards the post-pandemic period. However, elevated interest rates, rising inflation pressures, and resurgence of geopolitical risks contributed to sluggish global demand for end products and a slowdown in manufacturing activities across various countries. Fortunately, Taiwan benefited from the AI trend, which drove the recovery of the semiconductor industry, as well as ongoing demand for investment in emerging technologies and net-zero emissions. Concord Securities continuously focuses on issues such as net-zero carbon emissions and sustainable development by solidifying its operations, strengthening operational resilience, and integrating core business internally and ESG factors. The Company works with all stakeholders to face these difficulties and challenges together, achieving sustainability, reducing carbon emissions, and moving forward steadily.

In terms of environmental protection, to mitigate global climate change, we start from ourselves, actively establish climate governance, and continuously implement various measures for reduction of greenhouse gas emissions from operations and energy conservation. In January 2024, we successively passed and obtained certification for ISO 14001 Environmental Management Systems and ISO 45001 Occupational Health and Safety Management. In April 2024, we continuously introduced ISO 14064 Greenhouse Gas Emissions and obtained verification, proactively achieving our goal of reducing greenhouse gas emissions. In 2023, we continuously organized the ESG Next Generation Industry Forum, inviting PackAge+, Semisils Applied Materials, Taipei Exchange, and Taiwan Regional Revitalization Foundation to join and share ideas such as driving supply chain revolution through circular economy, silicon circular economy ecology of semi-conductor, and local revitalization, aiming at seizing green business opportunities.

With comprehensive corporate governance serving as the cornerstone of the sustainable operation, the Company has complied with "Corporate Governance 3.0-Blueprint for Sustainable Development" issued by the Financial Supervisory Commission, to continuously strengthen corporate governance, and fulfill the responsibilities of business operators. In 2023, the "Regulations for Implementation of the Accountability System for Material Issues" were added to uphold the Company's corporate culture of ethical corporate management and fulfill the management and supervision responsibilities of various businesses and systems, in order to prevent materially unethical behavior and ensure the Company's sound and sustainable management. Since 2021, the Company's Sustainability Reports have been certified by the "British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI)," an international third-party organization, for 4 consecutive years. In addition, the Company continuously abides by the "Stewardship Principles for Institutional Investors" and urges investees to implement ESG sustainability actions in terms of environmental, human rights, and corporate governance. Furthermore, the Company also exerts financial influence and fulfills stewardship actions. By harnessing the supervision power as an institutional investor, the Company makes continuous dialogue and interaction with investees to encourage them to emphasize corporate governance, thereby improving the overall quality of the capital market. The Company was honored as the only TPEX-listed securities firm among the list of best companies for information disclosure in the "2023 Stewardship Disclosure Rating for Institutional Investors."

In terms of financial services, in response to the rapid development of financial technology and the changes in economic activities caused by the pandemic, the Company actively promoted inclusive finance and developed a "Good Fun Investment" platform for cross-vehicle situational stock selection, encouraging young petty bourgeoisie to make good use of investment tools to manage their wealth and accumulate wealth. Since its launch, it has received numerous awards, including the National Brand Yushan Award, Best Digital Financial Service Award, Best Intelligent Financial Management Award, and the Innovative Platform Award of 1st Want Want China Times Financial Service Evaluation Grand Awards. In addition, this year, the Company launched the "KHPASS" ledger account service, offering a "one-stop" payment solution for various securities investments. This initiative enhances transaction convenience for investors while assisting brokerages in understanding customers' cash flows to mitigate default risks. Furthermore, it enables the provision of user-friendly wealth management services, positioning us as the best financial management partner for our customers. Additionally, in 2023, the Company organized 17 "Concord Spreads Love" events in response to the United Nations' initiative promoting financial services for the elderly, new immigrants, and disadvantaged groups. These events involved conducting anti-fraud awareness campaigns for disadvantaged and new immigrants in rural areas. Furthermore, the Company imported proper financial management concepts to elderly and disadvantaged groups to safeguard their financial security.

In terms of social co-prosperity, the Company has participated in the 1919 Bicycle Around Taiwan Charity Fundraising Event for 6 consecutive years to support disadvantaged families in desperate need. We also organized the donation of food packages to the 1919 Food Bank and donated 1,000 food packages to the 1919 Food Bank. We also called on 56 volunteers to help sort and pack the food packages for the 1919 Food Bank volunteers to then deliver the goods to disadvantaged families in remote townships personally. Concord Securities will continuously adhere to the United Nations Sustainable Development Goals (SDGs) by participating in efforts to eradicate poverty, end hunger, reduce inequality, and support disadvantaged families in rural areas. We will make ESG part of the Company's DNA, so that all employees can follow the Company's lead and exert a positive influence on society.



Looking into the future, the economic outlook remains full of challenges and opportunities. Concord Securities will spare no effort to pursue steady performance growth. ESG has become an important consideration for the Company's business development and investment. In addition to continuously strengthening corporate governance, protecting stakeholders' rights and interests, emphasizing environmental protection, caring disadvantaged groups, and implementing sustainable development goals, we will continuously realize inclusive finance with a professional and pragmatic attitude and the spirit of innovation and breakthrough. We will also incorporate legal compliance, ESG, and fair treatment of customers into our corporate operations to achieve our goal of sustainable management!

Chairperson of Concord Securities

鄧大宇

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

2023 Key Sustainability Performance

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

Environmentally friendly

- ◆ Passed ISO 14001: 2015 Environmental Management System verification.
- ◆ Passed ISO 14064-1: 2018 Greenhouse Gas Inventories verification.
- ◆ Developed 5 proprietary administrative forms to promote the digitalization policy.
- ◆ Promoted the digitalization policy and encouraged customers to place orders online.
- ◆ Reduced 385 kg of carbon emissions through vegan day.

Corporate governance

- ◆ Honored as the only one TPEx-listed securities firm among the "List of Better Disclosures of the Stewardship Information 2023."
- ◆ Won the Silver Award in the "Corporate Sustainability Reporting Category" - Finance and Insurance Industry TCSA Taiwan Corporate Sustainability Report Awards.
- ◆ The risk management assessments have been ranked level 2 (good grade) for 11 consecutive years.

Social Co-prosperity

- ◆ Passed ISO 45001: 2018 Occupational Safety and Health Management System verification.
- ◆ First awarded the Sport Enterprise Certification by the Sports Administration, Ministry of Education.
- ◆ Awarded the Gold Award for Happiest Employees from 1111 Job Bank.
- ◆ Won the Bronze Award for Evaluation of Talent Development Quality Management System (TTQS) again.
- ◆ Honored as one of the top 10% of outstanding companies in the "Corporate Sustainability Report Open Occupational Health and Safety Indicators Active Rating" organized by the Occupational Safety and Health Administration, Ministry of Labor.
- ◆ Awarded the "Innovative Platform Award" of 1st Want Want China Times Financial Service Evaluation Grand Awards - "Good Fun Investment."
- ◆ Won the Award for Securities Firm Transactions in Pioneer Stock Board of Emerging Stock Market in the First Half of 2023 - the 5th place of the Ever-Victory Award.
- ◆ Obtained a patent for [device generating data index value, method for generating data index value and computer program product therefor]
- ◆ The "KBI Global Energy Transition Fund," for which Concord Capital Management serves as a general agent, won the Golden Diamond Award for four consecutive years.
- ◆ Awarded the third prize of the "Buying Power - Social Innovative Product and Service Procurement Award" by Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs.
- ◆ Consecutively awarded the "Health Promotion Seal" by the Health Promotion Administration, Ministry of Health and Welfare.



CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

3. Sustainable
Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix

1. About Concord

1.1 Company Profile

1.2 Operational Performance



1. About Concord

1.1 Company Profile

Since its establishment, Concord Securities has followed the business philosophy of "integrity," planning to achieve maximum profits for customers. We know that we can achieve long-term comprehensive investment planning and provide financial services for customers by treating each other with sincerity.

Concord Securities was founded in 1990 and started its business operations on December 4 of the same year. The Company is a comprehensive securities firm approved by the government and is headquartered at B1F., 9F., 10F., 14F., 15F., No. 176, Section 1, Keelung Road, Xinyi District, Taipei City. The Company's main business items include conducting securities transactions on behalf of itself or others on a centralized exchange market or its business premises, underwriting of securities, securities trading margin purchase and short sale operations, handling stock affairs matters for others, futures trading assistance, and other business approved by the competent authority. The Company has also been authorized to set up an offshore securities unit (OSU) in March 2014. The Company's shares have been approved for trading on the Taipei Exchange since December 1996. The current paid-in capital is NT\$5.94 billion.

Concord Securities Basic Information

Company name: Concord Securities Co., Ltd.
 Establishment time: July 25, 1990
 Stock code: 6016
 Main business items: Brokerage, dealer, underwriting, bonds, new financial products, etc.
 Date of Incorporation: July 25, 1990
 Listing date: December 1996
 Capital: NT\$5.94 billion
 Number of employees: 817 (including 646 in Concord Securities and 171 in its subsidiaries)

Chairman: Cheng, Ta-Yu
 Corporate headquarters: B1F., 9F., 10F., 14F., 15F., No. 176, Section 1, Keelung Road, Xinyi District, Taipei City

Business location distribution: It has 16 securities business offices and 3 futures business offices located in northern, central, and southern Taiwan and the outlying islands
 Affiliated enterprises: Concord Futures, Concord Capital Management, Concord Asset Management, and Concord Insurance Agent



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

1.1.1 Organizational supply chain system

Concord Securities operates within the financial securities industry, and its suppliers can be categorized as follows: suppliers, business partners, and customers, based on their position in the upstream and downstream processes.

There were no changes in value chain during the current reporting period compared with the previous reporting period.



1.1.2 Main Brands, Products, Services, and the Company's Operating Locations

Concord Securities has 16 securities business offices and 3 futures business offices located in northern, central, and southern Taiwan and the outlying islands. We are committed to pursuing the balanced development of all businesses, enhancing the professional ability of our employees, and providing customers with diversified and professional services in order to enable our channel bases to satisfy the investors.

The main products, services, and operating locations of the Company are listed as follows:

Business Categories	Operating Locations	Product and Service Items
Brokerage	Taiwan	<ul style="list-style-type: none"> ◆ Accept orders to trade securities on a centralized exchange market ◆ Accept orders to trade securities on business premises ◆ Securities borrowing and lending ◆ Conduct margin purchase and short sale ◆ Accept orders to trade foreign securities ◆ Futures trading assistant ◆ Sales of offshore funds
Underwriting Dept.	Taiwan	<ul style="list-style-type: none"> ◆ Enterprise listing planning and counseling services ◆ Securities agency or underwriting services ◆ Planning, evaluation, and underwriting of securities offering and issuance ◆ Corporate financial strategic planning and consultation services ◆ Corporate mergers and acquisitions matters ◆ Emerging stock dealer recommendation business ◆ GISA business ◆ Other underwriting related business
Proprietary Trading Dept.	Taiwan	<ul style="list-style-type: none"> ◆ Conduct securities trades on a centralized exchange market ◆ Conduct securities trades on business premises ◆ Futures hedging operations
Fixed Income Dept.	Taiwan	<ul style="list-style-type: none"> ◆ Bond buying and selling transactions ◆ Repurchase agreement/reverse repurchase agreement of bonds ◆ Bond investment consultation services

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Business Categories	Operating Locations	Product and Service Items
Financial Derivatives Dept.	Taiwan	<ul style="list-style-type: none"> ◆ Issue call (put) warrants, and hedge position operations ◆ Issue structured commodities (capital preservation and equity-linked), and hedge position operations ◆ Provide diversified investment tools and hedging channels in response to investors' diverse needs ◆ Derivative financial product development and trading
Wealth Management Dept.	Taiwan	<ul style="list-style-type: none"> ◆ Professional financial consultation services for wealth management customers ◆ Provide customers with asset allocation and financial planning services

The service items and operating locations of the affiliated enterprises are listed as follows:

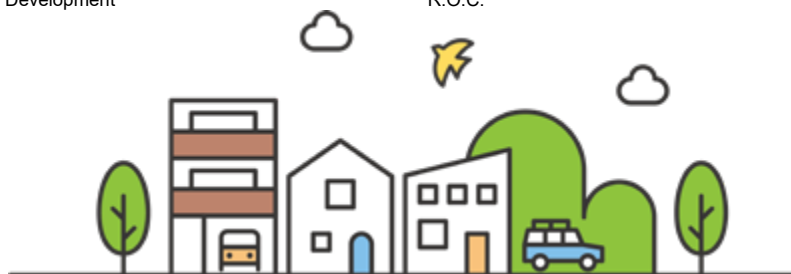
Affiliated Enterprises	Operating Locations	Product and Service Items
Concord Futures Co., Ltd.	Taiwan	Domestic and foreign futures dealer, brokerage, and consulting businesses
Concord Capital Management Corp.	Taiwan	Securities investment advisory business
Concord Insurance Agent Corp.	Taiwan	Personal insurance agency and property insurance agency business
Concord Asset Management Corp.	Taiwan	Enterprise business management consultation and asset management businesses

※ The Company does not have any prohibited products or services in specific markets.

1.1.3 Participation in Domestic Organizations

According to various business attributes, Concord Securities and its subsidiaries have actively participated in the securities and financial industry associations and other relevant external organizations. By joining relevant organizations, we can receive the latest economic and financial information and obtain membership to enjoy membership rights, share information with peers, and communicate with each other. Concord Securities participates in the following domestic and foreign organizations:

- Taiwan Securities Association
- Chinese National Futures Association
- Securities Investment Trust & Consulting Association
- Securities Analysts Association, Chinese Taipei
- Council for Industrial and Commercial Development
- Taiwan Chamber of Commerce and Industry
- Taiwan Financial Services Roundtable
- Taiwan Listed Companies Association
- Corporate member of National Cheng Kung University
- Corporate Equity Investment Association R.O.C.



1.2 Operational performance

In 2023, the consolidated net income after tax was NT\$1,004,267 thousand, with an EPS of NT\$1.68. In terms of credit ratings, Fitch Ratings issued a domestic long-term credit rating of A- (twn) and a domestic short-term credit rating of F2 (twn). Concord Securities aims to maintain stable growth and continue to treat guests fairly, create maximum operating value for shareholders, employees, and customers. For more detailed financial information, please refer to the [financial reporting area](#) on Concord Securities' official website.

1.2.1 Concord Securities' 2023 Operating and Profit Status

Financial performance

Unit: NT\$'000

Year/Item	2022	2023	Increase (decrease) amount	Change ratio (%)
Earnings	2,056,778	3,424,191	1,367,413	66.48
Operating costs and expenses	2,158,828	2,616,921	458,093	21.22
Operating profit (loss)	-102,050	807,270	909,320	891.05
Non-operating profits and losses	138,714	263,391	124,677	89.88
Net income before tax	36,664	1,070,661	1,033,997	2,820.20
Income tax expenses	180,364	66,394	-113,970	-63.19
Net Income (Loss)	-143,700	1,004,267	1,147,967	798.86

Analysis and description of changes in the ratio of increase and decrease:

1. Operating profit: The increase in operating profit was mainly due to increased gains on sales and valuation of securities held for operations compared to the same period last year.
2. Net profit before tax: The increase in net profit before tax was mainly due to increased gains on sales and valuation of securities held for operations compared to the same period last year.

The relevant economic values are presented in the table below:

Unit: NT\$'000

Economic value	2023
Direct economic value generated	3,424,191
Economic value distributed	2,353,530
Operating costs	744,460
Employee benefit expenses	1,305,767
Payments to providers of capital	0
Payments to the government by country	298,538
Community investment	4,765
Economic value retained	1,070,661

Important Financial Ratios

	Year/Item	2022	2023
Financial structure (%)	Debt-to-asset ratio	77.97	77.85
	Ratio of long term capital to real estate and equipment	846.31	961.77
Solvency (%)	Current ratio	108.85	112.81
	Quick ratio	108.82	112.78

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

	Year/Item	2022	2023
Profitability	Return on assets (%)	-0.38	2.64
	Return on equity (%)	-1.71	11.94
	The ratio of net profit (loss) before tax to paid-in capital (%)	0.62	18.01
	Net profit margin (%)	-6.99	29.33
	Basic earnings per share (NT\$)	-0.25	1.68

Revenue from each department

Unit: NT\$'000

Department	2022		2023	
	Amount	Ratio %	Amount	Ratio %
Brokerage Department	1,888,026	91.80	1,840,473	53.75
Proprietary Trading Department	82,355	4.00	1,483,337	43.32
Underwriting Department	62,849	3.06	75,430	2.20
Others	23,548	1.14	24,951	0.73
Total	2,056,778	100.00	3,424,191	100.00

Operating Performance of Subsidiaries

Unit: NT\$'000

Enterprise name	2023			
	Operating income	Operating Income (Loss)	Current Profit (Loss) (After Tax)	Earnings (Losses) Per Share (after tax) (NT\$)
Concord Capital Management	26,821	-5,397	-4,790	-0.68
Concord Futures	599,119	24,233	105,299	1.29
Concord Asset Management	0	0	21,786	0.40
Concord Insurance Agent	10,730	-3,400	-3,162	-1.26

The volume and amount of issuance of the Company's self-developed products

Self-developed products	Issuance Volume (Production Volume)		Issuance Amount (Production Value)	
	2022	2023	2022	2023
Call Warrant	1,035	556	NT\$7,219,450 thousand	NT\$3,046,355 thousand
Put Warrant	195	46	NT\$1,262,885 thousand	NT\$257,085 thousand
Discretionary Leverage Equity Options	-	-	NT\$28,518,875 thousand	NT\$41,193,081 thousand

Sponsoring Results of Underwriting Business

Year/results	2022	2023
IPO underwriting amount	NT\$175,002 thousand	NT\$79,920 thousand
SPO underwriting amount	NT\$227,200 thousand	NT\$65,900 thousand
Total underwriting amount	NT\$402,202 thousand(Note)	NT\$145,820 thousand
IPO underwriting number	1	1
SPO underwriting number	3	2

Note: In 2022, the underwriting amount was originally NT\$339,232 thousand, which was corrected to NT\$402,202 thousand.

Shareholder Structure

December 31, 2023

Shareholder Structure	Number of people	Number of shares held	(Thousand shares) Shareholding ratio (%)
Government agencies and financial institutions	5	2,175,191	0.36
Other juridical persons	212	149,831,653	25.21
Natural Person	59,228	428,241,014	72.04
Foreign institutions and foreigners	76	14,207,128	2.39
Total	59,521	594,454,986	100.00

Credit Rating

Credit Rating Agency	Domestic long-term credit rating	Domestic short-term credit rating	Foreign currency long-term IDR	Foreign currency short-term IDR	Outlook	Credit rating date
Fitch Ratings	A- (tw)	F2 (tw)	BB+	B	Stable	2022-11
Fitch Ratings	A- (tw)	F2 (tw)	BB+	B	Stable	2023-11



CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

**2. Sustainability
strategy and
commitment**

3. Sustainable
Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix

2. Sustainability strategy and commitment

2.1 Vision and strategy of sustainable development

2.2 Sustainable governance operation

2.3 Stakeholders and material topics



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix


















2. Sustainability strategy and commitment

2.1 Vision and strategy of sustainable development

Since the foundation, the Company continues to adhere to the business philosophy of "integrity, stability, service and sustainability," takes "innovation, friendship and mutual good" as the vision of sustainable development, and takes "environmental sustainability," "customer value," "happy workplace," "social co-prosperity" and "corporate governance" as the sustainable development strategy, integrate the sustainable development goals, implement the three aspects of environment (E), society (human rights) (S) and governance (G), and strive to do well with shareholders, employees, society (human rights) and environment, fulfill corporate social responsibility, and create sustainable value for customers and the Company.

2.1.1 Five goals of sustainable development

The Company focuses on the implementation of the sustainable development strategy with the five goals of "environmental sustainability", "customer value", "happy workplace", "social co-prosperity", and "corporate governance", and formulates corresponding management policies and specific measures to enable the Company to continuously implement the strategy of promoting sustainable development.

Environmental Sustainability	Social Co-prosperity	Customer value	Happy Workplace	Corporate governance
   	  	   	    	
<ol style="list-style-type: none"> Committed to promoting sustainable environmental management, incorporating climate change risks into operational decision-making, identifying and managing risks. In the face of global warming and resource depletion crises, we will fully respond to the trend of energy conservation and carbon reduction, and take mitigation and adjustment measures to reduce the impact on the environment. Encourage joint implementation of corporate social responsibility with suppliers, promote sustainable development of the environment, and practice and safeguard basic human rights. 	<ol style="list-style-type: none"> Adhering to the spirit of "taking it from society and using it for society", we will invest in caring for the disadvantaged, support rural education, bridge the urban-rural gap, and promote social welfare plans. Deepen local business, actively give back to the community, support arts and cultural activities, fulfill corporate social responsibilities, and achieve mutual prosperity and mutual benefit with the society. 	<ol style="list-style-type: none"> Utilize financial technology to develop inclusive financial products and friendly financial services. Deepen the field of digital finance, provide customers with new investment and wealth management experiences, and promote paperless digital services. Provide diversified financial services to jointly focus on sustainability issues with customers, guide and encourage customers to attach importance to green environmental protection and environmental issues. Provide comprehensive information security protection, strengthen information security defense, and create a reliable and trustworthy financial transaction environment. 	<ol style="list-style-type: none"> Committed to promoting physical and mental health programs and welfare measures that are superior to laws and regulations, providing employees with a friendly and excellent work environment. Provide multifunctional education, training and curriculum activities for employees. Through the performance evaluation mechanism, reward excellent employees, strengthen their competitive advantages, and improve the retention rate and employee engagement. Encourage all colleagues to implement the sustainable development of ESG, create high-quality working conditions for employees and establish a career development environment, so as to enhance the competitiveness of the enterprise. Implement the human rights policy declaration, ensure gender equality, establish a communication platform for employees' opinions, improve employee satisfaction, and implement the sustainable and sound operation of the Company. 	<ol style="list-style-type: none"> Actively promote the Financial Supervision and Regulation Commission's "Corporate Governance 3.0 - Blueprint for Sustainable Development" to strengthen the functions of the board of directors, improve information transparency, ensure shareholders' equity and achieve the goal of sustainable development of the enterprise. Optimize the risk management mechanism of various businesses, improve the quality of risk management, incorporate the spirit of ESG into the investment strategy, and ensure the sustainable and sound operation of the Company.

2.1.2 Sustainable development strategy goal planning

Sustainable development strategy goal planning has been approved by the Board of Directors in February 2024.

[Environmental Aspect (E)]

Targets	Item	Targets in 2023	Achievement status	Short-term (2026)	Mid- & Long-term (2028)
1	ISO 14001 Environmental Management System ISO 45001 Occupational Safety and Health Management Certification	◆ Second certification was completed in January	◆ First certified in January 2023 ◆ Second re-evaluation of certification was completed in January 2024	◆ Continuous certification audit	◆ Continuous certification audit
2	ISO 14064-1 greenhouse gas inventory and verification	◆ Continuous verification ◆ Implementation of energy-saving and carbon-reduction measures	◆ In March 2023, the verification was completed. In 2022, the electricity consumption was 2,885,313 kW·h, from which carbon emissions accounted for 79.24% of the total emissions. ◆ From January to November 2023, the electricity consumption of both headquarters and branches was 2,552,871 kW·h, which decreased by about 110,000 kW·h compared with the same period last year.	◆ Reduction of carbon emissions by 1% compared to 2022	◆ Reduction of carbon emissions by 3% compared to 2022
3	Introduce and continuously deepen climate risk management	◆ Continuously strengthen the disclosure of climate-related indicators in TCFD governance/strategy/risk management. ◆ Establish climate risk related indicators of investment positions	◆ Completed the [TCFD Course and Workshop] in October ◆ Conducted an inventory of core business and key resources for physical climate risk analysis in cooperation with consultants	◆ Establish climate risk related indicators of investment positions ◆ Incorporate climate risk considerations into other risk management mechanisms	◆ Continuously improve the measurement method of climate risk
4	Green Product Investment	◆ Total investment: NT\$1.5 billion ◆ Total investment of NT\$2 billion ◆ Ratio of total investment (%): 75%	◆ ESG Investment - Proprietary Trading ◆ Total investment: NT\$1.37 billion ◆ Total investment of NT\$2 billion ◆ Ratio of total investment (%): 69%	◆ Total investment: NT\$1.5 billion ◆ Total investment of NT\$2 billion ◆ Ratio of total investment (%): 75%	◆ Total investment: NT\$1.5 billion ◆ Total investment of NT\$2 billion ◆ Ratio of total investment (%): 75%
		◆ Total investment: NT\$0.3 billion ◆ Ratio of total investment (%): 6%	◆ ESG Investment - Fixed Income ◆ Total investment: NT\$0.2 billion ◆ 2 green sustainable bonds	◆ Total investment: NT\$0.4 billion ◆ Ratio of total investment (%): 8%	◆ Total investment: NT\$0.5 billion ◆ Ratio of total investment (%): 10%
		◆ Issuance volume: 1.1%; ◆ Issuance volume of target companies: 50%	◆ ESG products - Financial Derivatives ◆ Issuance volume: 0.70% (ratio to the whole market) ◆ Issuance volume of target companies: 44.17%	◆ Issuance volume: 2.5% ◆ Issuance volume of target companies: 51%	◆ Issuance volume: 3.5% ◆ Issuance volume of target companies: 53%
		◆ ESG funds AUM: NT\$2 billion ◆ Overall inventory AUM: NT\$3.8 billion ◆ Ratio of ESG-related funds: 52.2%	◆ ESG-related funds ◆ ESG funds AUM: NT\$1.157 billion ◆ Overall inventory AUM: NT\$1.158 billion ◆ Ratio of ESG-related funds: 99.9%	◆ ESG funds AUM: NT\$2.8 billion ◆ Overall inventory AUM: NT\$5.3 billion ◆ Ratio of ESG-related funds: 52.3%	◆ ESG funds AUM: NT\$3.4 billion ◆ Overall inventory AUM: NT\$6.4 billion ◆ Ratio of ESG-related funds: 52.3%
5	Net Zero and Transformation Support	◆ Understand the current situation of customers and invested companies in response to carbon reduction and transformation, encourage the development of net zero plans and accelerate sustainable transformation, with an estimated 5 companies in 2023.	◆ 5 companies	◆ 10 companies	◆ 15 companies

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

[Social (human rights) aspect (S)]

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Targets	Item	Targets in 2023	Achievement status	Short-term (2026)	Mid- & Long-term (2028)
6	Stewardship Rating for Institutional Investors	◆ Maintained its inclusion in the List of Better Disclosures of the Institutional Investors' Stewardship Information	◆ Successively review and amend the guidelines with reference to the evaluation-related indicators established by the competent authorities and the practices of benchmarking peers. ◆ Awarded inclusion in the List of Better Disclosures of the Institutional Investors' Stewardship Information 2023	◆ Maintained its inclusion in the List of Better Disclosures of the Institutional Investors' Stewardship Information	◆ Maintained its inclusion in the List of Better Disclosures of the Institutional Investors' Stewardship Information
7	Counsel TWSE/TPEX and emerging companies in implementing ESG	◆ Organize for 3 companies	◆ Counsel companies belonging to circular economy and green finance industry. ◆ Organize for: 3 companies	◆ Organize for 3 companies	◆ Organize for 3 companies
8	Hold ESG Innovation and Circular Economy Forum	◆ Hold 1 session	◆ 1 session held on April 19, 2023 ◆ 100% event completion rate	◆ Hold a forum annually	◆ Hold a forum annually
9	Actively participate in the shareholders' meeting and negotiation of the invested company	◆ Engagement participation rate 46% (the number of meetings of ESG investees/total number of meetings participated in relevant ESG lectures: 2	◆ Attended shareholder meetings: 12 companies ◆ Participated in a total of 275 meetings of engagement, of which 116 were of ESG-associated stocks, with a participation rate of 42%	◆ Participation rate of 50%	◆ Participation rate of 60%
10	Improve the market share of electronic orders for digital users	◆ Optimize the ordering interface, increase functionality and speed	◆ Electronic ordering with a market share of 76.87%	◆ Electronic ordering with a market share rate of over 80%	◆ Electronic ordering with a market share rate of over 85%
11	Establish a separate account to provide investors with the ability to open securities accounts without the need to add a bank account, reducing the resource consumption of bank account opening	Complete the establishment of a separate account ◆ 2,800 accounts were opened	Complete the establishment of a separate account ◆ As of December 31, 2023, 1,539 accounts were opened	Complete the establishment of a separate account ◆ 3,000 accounts were opened	Complete the establishment of a separate account ◆ 3,300 accounts were opened
12	Provide ESG value investment products	◆ Participated in more than 1 ESG product in the IPO of Investment Trust * Due to the increasingly stringent ESG review by the regulatory authority, there were fewer issuances by the investment trust.	◆ Offering of Capital Tip Customized Taiwan ESG Low Carbon 50 Exchange Traded Fund ◆ Offering of CTBC Tip Customized TPEX ESG 30 Exchange Traded Fund ◆ Offering of CAPITAL ICE ESG 20+ Year BBB Corporate Exchange Traded Fund	◆ More than 2 fundraising number	◆ More than 3 fundraising number
13	Establishment of ESG ETF area on the regular investment platform, "Good Fun Investment"	◆ Update targets of ESG ETF area	◆ Provide information on at least 3 ESG ETFs for customers' reference	◆ Provide information on at least 5 ESG ETFs for customers' reference	◆ Provide information on at least 10 ESG ETFs for customers' reference
14	Offer scholarships for children of new immigrants	◆ At least 1 event a year	◆ Completed the nation-wide Concord Spreads Love, financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas, new immigrants, and elderly. A total of 4 sessions were held with 92 participants and an achievement rate 100%.	◆ At least 2 events a year	◆ At least 2 events a year

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Targets	Item	Targets in 2023	Achievement status	Short-term (2026)	Mid- & Long-term (2028)
15	Organize financial management lectures and anti-fraud awareness campaigns for the elderly, disadvantaged groups, and new immigrants.	◆ Hold 4 financial management concept awareness lectures	◆ Completed the nation-wide Way to Financial Richness Led by Experts - Financial Management Seminar and Anti-Fraud Awareness Campaign. A total of 13 sessions were held, with 445 participants and an achievement rate of 100%.	◆ At least 5 events a year	◆ At least 5 events a year
16	Establish an anti-fraud team	◆ Establish an anti-fraud SOP ◆ Make announcement of anti-fraud propaganda on our official website	◆ Establish an anti-fraud team and a response SOP ◆ Production of digital anti-fraud promotional videos for dissemination	◆ Less than 10 scam phone calls received by customers.	◆ Less than 5 scam phone calls received by customers.
17	Election of outstanding service personnel within brokerage units	◆ 3 outstanding service personnel	◆ 3 outstanding service personnel	◆ 3 outstanding service personnel or more	◆ 3 outstanding service personnel or more
18	Honoring ceremony for good deeds in fair treatment of customers	◆ At least 16 events a year	◆ Accumulated 22 cases	◆ At least 16 events a year	◆ Everyone is an outstanding service personnel
19	Digital finance and innovation	◆ Fintech-related patent application ◆ Submit 1 application annually	◆ Completed (Kang-Zhuan 111001 was submitted to the Intellectual Property Office for review)	◆ Submit 1 patent application annually	◆ Submit 1 patent application annually
20	Regularly evaluate core operating systems and equipment to ensure their ability to operate continuously and resilience	◆ Each core system is equipped with more than two hosts with real-time backup capability ◆ Each network infrastructure is equipped with at least two circuits for real-time redundancy. ◆ Each business premise is equipped with uninterruptible power supply (UPS) and generators. ◆ Establish a remote backup server room ◆ Hold different disaster preparedness drills every year.	◆ Completed in November 2020, continuing to expand our remote establishment	◆ Establish an off-site IDC computer room (brokerage business)	◆ Establish an off-site IDC computer room and achieve complete backup (brokerage business and electronic transactions)
21	Friendly workplace	◆ Maintain labor-management harmony, with 0 labor-management dispute. ◆ Apply for the Nankan Branch as an outstanding unit for employing persons with disabilities ◆ Organize 2 occupational safety and health lectures a year ◆ Extend the certification for workplace health promotion label	◆ Obtain certifications for ISO 45001 Occupational Safety and Health Management System and ISO 14001 Environmental Management System ◆ Conduct quarterly labor-management meetings and complete the elections of members for the new session of the labor-management committee. ◆ A masseuse was hired on March 27, 2023. ◆ The Nankan Branch received both the Model Enterprise Award and the Merit Award for Employment of Persons with Disabilities from Taoyuan City Government ◆ Organize health lectures and publish health education columns ◆ The Gold Award for Happiest Employees from 1111 Job Bank ◆ First awarded the Sport Enterprise Certification by the Sports Administration, Ministry of Education	◆ Maintain labor-management harmony, with 0 labor-management dispute. ◆ Satisfy the statutory requirements for hiring persons with disabilities ◆ Organize 2 health lectures a year ◆ Maintain the validity of workplace or health certification and reduce the turnover rate by 1%.	◆ Maintain labor-management harmony, with 0 labor-management dispute. ◆ Satisfy the statutory requirements for hiring persons with disabilities ◆ Organize 2 health lectures a year ◆ Maintain the validity of workplace or health certification and reduce the turnover rate by 1%.
22	Diverse welfare measures	◆ Organize an Employee Assistance Program (EAP) ◆ Executed by the Welfare Committee according to the annual plan ◆ Evaluate welfare measures based on welfare survey results	◆ Relax the scope of application for vaccine leave ◆ Festive gifts arranged by the Welfare Committee ◆ Add one day of honorary leave	◆ Evaluate to add one welfare measure a year ◆ Executed according to the Welfare Committee's annual plan	◆ Enhance the remuneration level of employees to align with the percentile of industry standards

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Targets	Item	Targets in 2023	Achievement status	Short-term (2026)	Mid- & Long-term (2028)
23	Human resources development	<ul style="list-style-type: none"> The average training hours per person are 42 hours, and the achievement rate is 100% Continuously cultivate 15 to 20 key talents for our talent pool 	<ul style="list-style-type: none"> The one-year course to improve the foreign language proficiency of executives was concluded in March 2023. The training for mid-level supervisors was concluded in December 2023, and the average training hours of the enhancement of employees' professional abilities of are 49.76 hours per person, with a training hours achievement rate of 118.4% 	<ul style="list-style-type: none"> Increase the average training hours per person to 44 hours Continuously cultivate 15 to 20 key talents for our talent pool 	<ul style="list-style-type: none"> The average training hours per person reaches 46 hours In line with the government's 2030 bilingualism policy, each of our branches in the six major cities is equipped with at least one foreign language talent.
24	Establishment of sustainable corporate culture	<ul style="list-style-type: none"> Provide ESG-related courses for different targets and expect to provide 2 courses in the second half of the year 	<ul style="list-style-type: none"> Complete the training course of "Introduction to ESG and the Company's Sustainable Development Strategy" for all employees Complete the course of "Corporate Sustainability Policies and Strategies: Challenges and Opportunities" for senior executive training Assist the Risk Management Office in organizing the "Climate-related Financial Disclosure (TCFD) Course and Workshop" Achievement rate of 100% 	<ul style="list-style-type: none"> Hold at least 2 ESG-related lectures for 3 hours annually 	<ul style="list-style-type: none"> Hold at least 2 ESG-related lectures
25	Establishment of the Concord Charitable Foundation	<ul style="list-style-type: none"> Under application, expected to be completed in 2024 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Continuous operation 	<ul style="list-style-type: none"> Continuous operation
26	The number of sponsoring public welfare groups	<ul style="list-style-type: none"> Continuously sponsoring Daojiang Youth Baseball Team, Tainan Pumen Home, etc. Continuously paying attention to rural children and disadvantaged groups 	<ul style="list-style-type: none"> Donations to Lan-chui Social Welfare Foundation, Daojiang Youth Baseball Team, Charming Will Foundation, The Prison Fellowship Taiwan, Adolescents' Home Taoyuan, Lovely Taiwan Foundation, 1919 Food Bank, Tainan Pumen Home, 1919 Spread Love with Shoeboxes, etc. 	<ul style="list-style-type: none"> Continuously paying attention to rural children and disadvantaged groups 	<ul style="list-style-type: none"> Continuously paying attention to rural children and disadvantaged groups
27	Support the promotion and foundation establishment of financial knowledge education	<ul style="list-style-type: none"> Support the promotion of financial knowledge education 	<ul style="list-style-type: none"> Sponsor the Financial Research Camp of University of Taipei and the opening ceremony of the summer industry-academia collaboration 	<ul style="list-style-type: none"> Continuously promote the financial knowledge education 	<ul style="list-style-type: none"> Continuously promote the financial knowledge education
28	1919 Public welfare activities	<ul style="list-style-type: none"> Visit and care for disadvantaged families with emergency needs in rural areas during the tour around Taiwan 	<ul style="list-style-type: none"> Call on Concord warriors to ride bicycles around Taiwan and rescue emergency families. Two employees have participated in the event. 	<ul style="list-style-type: none"> Continuous operation 	<ul style="list-style-type: none"> Continuous operation
29	Organize blood donation activities	<ul style="list-style-type: none"> Hold 1 activity 	<ul style="list-style-type: none"> A total of 161 bags of 40,250 cc. of blood were donated, with an achievement rate of 100%. 	<ul style="list-style-type: none"> Hold 1 activity 	<ul style="list-style-type: none"> Hold more than 1 activity
30	Donate old clothes to help Eden	<ul style="list-style-type: none"> Implement ESG, initiate a cycle of love and kindness, and help vulnerable families 	<ul style="list-style-type: none"> A total of 100 boxes containing 4,766 pieces of clothing were collected for donation. 	<ul style="list-style-type: none"> Continuously donating old clothes and supporting environmental sustainability 	<ul style="list-style-type: none"> Continuously donating old clothes and supporting environmental sustainability
31	Donation of touring medical vehicles	<ul style="list-style-type: none"> Continuously monitor the current status of medical tour 	<ul style="list-style-type: none"> Completed the donation 	<ul style="list-style-type: none"> Continuously monitor the current status of medical tour 	<ul style="list-style-type: none"> Continuously monitor the current status of medical tour

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

[Corporate governance (G)]

Targets	Item	Targets in 2023	Achievement status	Short-term (2026)	Mid- & Long-term (2028)
32	Strive for the ranking of TPEx-listed companies through "Corporate Governance Evaluation"	◆ Rated as level 2 among the TPEx-listed companies and ranked among the top 6 to 20%	◆ Level 3	◆ Level 2	◆ Level 1
33	Promote gender diversity of directors	◆ The number of female directors constitutes 27% of the total board members.	◆ There are currently 3 female directors, accounting for 27% of the board which consists of 11 directors.	◆ The number of female directors constitutes one-third of the total board members.	◆ The number of female directors constitutes one-third of the total board members.
34	Strengthen the functions of independent directors and the Audit Committee	◆ The number of independent directors constitutes one-third of the total board members.	◆ There are currently 3 independent directors, accounting for 27% (Note) of the board which consists of 11 directors.	◆ The number of independent directors constitutes one-third of the total board members.	◆ The number of independent directors constitutes one-third of the total board members.
35	Accountability System for Material Issues	◆ Once a year	◆ Each dedicated department formulates annual plans and reports them to the Board of Directors, which was submitted to the Board of Directors on December 15	◆ Once a year	◆ Once a year
36	Implement corporate governance training	◆ Hold 2 corporate governance training sessions annually.	◆ June 28 - 2023 Financial Consumer Protection and Principle for Financial Service Industries to Treat Clients Fairly ◆ September 21 - Global FinTech and Information Security Risk Development Trends 2023	◆ At least once a year	◆ At least once a year
37	Strengthen legal education and training in various businesses	◆ Completed: 1. Anti-money laundering and countering the financing of terrorism in H1 2. Financial Consumer Protection Act 3. Anti-money laundering and countering the financing of terrorism in H2 4. Personal Data Protection Law 5. Insider trading, major information, whistle-blowing system, insider equity changes 6. Topics on FATCA and CRS	◆ As of December 31, 2023, the following statutory education and training courses were completed: 1. Anti-money laundering and countering the financing of terrorism in H1 and H2 2. Financial Consumer Protection Act 3. Insider trading, major information, whistle-blowing system, insider equity changes Topics on FATCA and CRS	◆ At least once a year	◆ At least once a year
38	Legal compliance and anti-money laundering enforcement	◆ Completed: 1. Report to the Board of Directors on legal compliance in H1 and H2 2. Report to the Board of Directors on anti-money laundering and combating terrorism financing in H1 and H2	◆ As of December 31, 2023, the following tasks were completed: 1. Report to the Board of Directors on legal compliance in H1 and H2 2. Report to the Board of Directors on implementation status of anti-money laundering and combating terrorism financing in H1 and H2 3. Self-assessments on legal compliance and personal data 4. Personal data inventory and risk assessment regulation inventory	◆ At least twice a year	◆ At least twice a year
		◆ Completed: 1. Self-assessments on legal compliance and personal data by each unit 2. Personal data inventory and risk assessment by each unit 3. Inventory of regulations by each unit		◆ At least once a year	◆ At least once a year

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Targets	Item	Targets in 2023	Achievement status	Short-term (2026)	Mid- & Long-term (2028)
39	Sustainable Governance of the Company	◆ Self-assess the results of the internal control system, issue the Statement of Internal Control System, and handle announcements and declarations.	◆ The "Statement of Internal Control System" for the fiscal year of 2022 was filed on March 14.	◆ Complete the declaration within 3 months after the end of the fiscal year	◆ Complete the declaration within 3 months after the end of the fiscal year
		◆ Regularly hold meetings with directors in accordance with the "Corporate Governance Best Practice Principles" to review internal control defects and keep records.	◆ On November 3, 2023, the directors and internal audit symposium was held	◆ Regularly held once a year	◆ Regularly held once a year
		◆ Track and improve the deficiencies and anomalies of internal control system, and report to the audit committee and the board of directors	◆ The internal audit reported that the annual audit plan has been carried out in accordance with the regulations by the competent authority. ◆ The deficiencies and anomalies discovered during the internal control audit have been disclosed in the internal control audit report, followed up after submission for review, and reported to the Audit Committee and the Board of Directors to ensure that relevant units have taken appropriate corrective measures in a timely manner.	◆ Complete quarterly both compliance audits and data analysis with equal emphasis	◆ Completed quarterly ◆ Continuously evaluate and enhance its risk management, control, and governance processes, employing a systematic and disciplined approach to mitigate internal control risks
40	Supervision of subsidiaries	◆ Implement an audit plan for the subsidiary, audit and manage	◆ Issue the supervisory audit report of subsidiaries, Concord Asset Management, Concord Futures, Concord Capital Management, and Concord Insurance Agent	◆ Once a year	◆ Once a year
41	Information Security	◆ Issue the Statement on Internal Control System and handle announcements and declarations regarding the overall implementation of information security.	◆ The 2022 "Statement on Overall Implementation of Information Security" was filed on March 14, 2023	◆ Complete the declaration within 3 months after the end of the fiscal year	◆ Complete the declaration within 3 months after the end of the fiscal year
42	Strengthen the mechanism of information security protection	◆ Establish the information security inspection mechanism for securities firms and hold regular review meetings	◆ Completed the information security management review meeting	◆ Convened once a year	◆ Convened once a year
43	Promote the introduction of international standards for information security protection	◆ All core systems acquired ISO 27001 Information Security Management System verification	◆ Passed the core system verification	◆ Continuously passed ISO 27001 Information Security Management System verification	◆ Continuously passed ISO 27001 Information Security Management System verification
44	Establish an information security inspection mechanism	◆ Strengthen the Security Information and Event Management (SIEM) and incorporate the Linux host into the monitoring mechanism	◆ Established the SIEM system and completed the monitoring for various hosts, including Windows hosts, firewalls, network management hosts, and email security management hosts	◆ Complete all monitoring for core system hosts	◆ Complete all monitoring for core systems and important network devices.
		◆ Establish intrusion detection and defense mechanisms and "application firewall" information security defense equipment	◆ Protection for all services open to the public was activated in March 2020	◆ Continuous optimization and adjustment	◆ Continuous optimization and adjustment
		◆ Maintain the existing licenses and obtain 2 additional information security licenses.	◆ 8 licenses have been obtained (meeting the requirements)	◆ Expand the acquisition of information security certificates by other relevant units.	◆ Expand the acquisition of information security certificates by other relevant units.
45	The Sustainable Development Commission promotes the short, medium and long-term goals of sustainable development	◆ Regularly report to the board of directors on sustainable development and ESG implementation results, and report relevant policies and implementation to the board of directors	◆ Convene quarterly, and report/present at the latest Board of Directors	◆ Held quarterly, and reported/presented at the latest Board of Directors	◆ Held quarterly, and reported/presented at the latest Board of Directors
46	Implement the principles of treating customers fairly and an accountability mechanism	◆ Convene the Fair Customer Treatment Committee on a regular basis and report to the Board of Directors on the policies regarding Principles of Fair Treatment of Customer and the implementation status	◆ Convene quarterly, and report/present at the latest Board of Directors	◆ Convene quarterly, and report at the latest Board of Directors	◆ Convene quarterly, and report/present at the latest Board of Directors
		◆ Ranked top 25% in evaluation on fair treatment for customers	◆ Evaluation in 2025 (biennially)	◆ Ranked top 25%	◆ Ranked top 25%

Note: Independent Director Huang, Tian-Chang was discharged on August 18, 2023.

2.2 Sustainable governance operation

Concord Securities is committed to pursuing business performance, providing added value to employees, and attaching importance to shareholders' equity. In addition, it also takes practical actions to implement corporate social responsibility, actively participates in public welfare, focuses more social care, improves customer rights, and strengthens employee care, so as to become a high-quality enterprise with sustainable management. In order to implement the enterprise's vision of sustainable development, the "Sustainable Development Best Practice Principles" and "Integrity Management Code" have been formulated as the basis for the Company to conduct sustainable development and implement the enterprise's concept of sustainable development.

2.2.1 Responsible unit for sustainable affairs: Sustainable Development Committee

The Company follows the "Sustainable Development Best Practice Principles of Concord Securities Co., Ltd." and implements the concept of sustainable development of enterprises. In 2022, the "Sustainable Development Committee" was established. As approved by the 20th meeting of the 12th Board of Directors on August 30, 2023, the workforces of the "Sustainable Development Committee" were renamed into "Responsible Investment Team," "Sustainable Finance Team," "Corporate Governance Team," "Environmental Sustainability Team," "Social Engagement Team," and "Employee Well-being Team" to ensure the implementation of the Company's sustainable development policies. The "Sustainable Development Committee" is the highest level of ESG in Concord Securities to promote the organization and management of impacts of economy, environment and human beings (including human rights). The Chairman of the Committee is served by as the Chairman of Board, and Vice Chairman by the President. Each taskforce convener serves as the ex officio member. The Committee shall meet at least once per year, and may convene a special meeting at any time whenever necessary. The "Sustainable Development Committee" plans to implement the annual sustainable development plan and project performance tracking and review from top to bottom and implement the annual ESG goals.

Every year (at least once a year), the Company's Board of Directors receives a report on the effectiveness of the implementation of ESG short-, medium- and long-term goals, and reviews the implementation of various sustainability initiatives. In 2023, the Sustainable Development Committee held a total of 4 meetings. Each team formulates implementation plans for short-, medium-, and long-term goals related to the five major objectives: "environmental sustainability," "customer value," "happy workplace," "social prosperity," and "corporate governance." These plans are supervised and reviewed by the Sustainable Development Committee, and the implementation results of the sustainable development work and future plans are reported at the nearest board meeting. The board of directors regularly receives reports from the management team, which shall make judgements on the corporate strategies proposed to the board, review the progress, or make strategic adjustments. The content includes: (1) tracking progress of short-, medium-, and long-term goal for sustainability-related issues; (2) status of communication on issues of concern to stakeholders; (3) supervising the execution and implementation of short-, medium- and long-term goals for sustainable development strategy; and (4) GHG information inventory and verification results.

The 2023 sustainable development strategy, the execution results of the short-, medium- and long-term goals, and the dates when these matters were reported to the board of directors:

1. 16th Meeting of 12th Board of Directors on March 9, 2023
2. 20th Meeting of 12th Board of Directors on August 30, 2023
3. 22nd Meeting of 12th Board of Directors on December 15, 2023

[Link to the "Corporate Sustainable Development Area"](#)

Reported 2 major events to the board of directors in 2023.

The first incident is described as follows:

1. Date of occurrence: March 2, 2023
2. Non-compliance: Concord Securities violated the relevant provisions of corporate governance and failed to implement the internal control system, which affected its securities business operations and breached security-related regulations.
3. Amount of fine: NT\$ 1.44 million

The second incident relates to information security. Please refer to 3.5 Information Security for details.

※ Definition of Key Major Events:

1. Important strategic issues and key events of the Company (including economic, environmental, and social (human rights) impacts, risks, and opportunities).
2. Mainly disciplinary actions, including warning or above, imposed to the Company by the competent authority and publicly disclosed on the MOPS.
3. Other major issues designated by the competent authority or included in the board resolution.
4. No major complaints were received in either [the Group's whistle-blower mailbox](#) or the internal employee whistle-blower mailbox. (Major refers to conduct that damages, or is likely to cause damages to, the company's rights and interests due to crime, fraud, or violations, including but not limited to criminal, civil, administrative, securities, and other related laws and regulations, integrity, and code of ethic)

Duties of the "Sustainable Development Committee":

- (I) Establishment of the Environmental, Social (human rights) and Governance (ESG) strategy, the annual plan, and the project plan related to sustainable development.
- (II) Performance evaluation and review on the implementation of the annual plan and the project plan for sustainable development.
- (III) Making decisions on the other matters related to sustainable development.

In 2023, the "Sustainable Development Committee" held a total of 4 meetings and reported the tracking performance at the most recent board meeting.



Structure of the Sustainable Development Committee of the Concord Securities Group

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

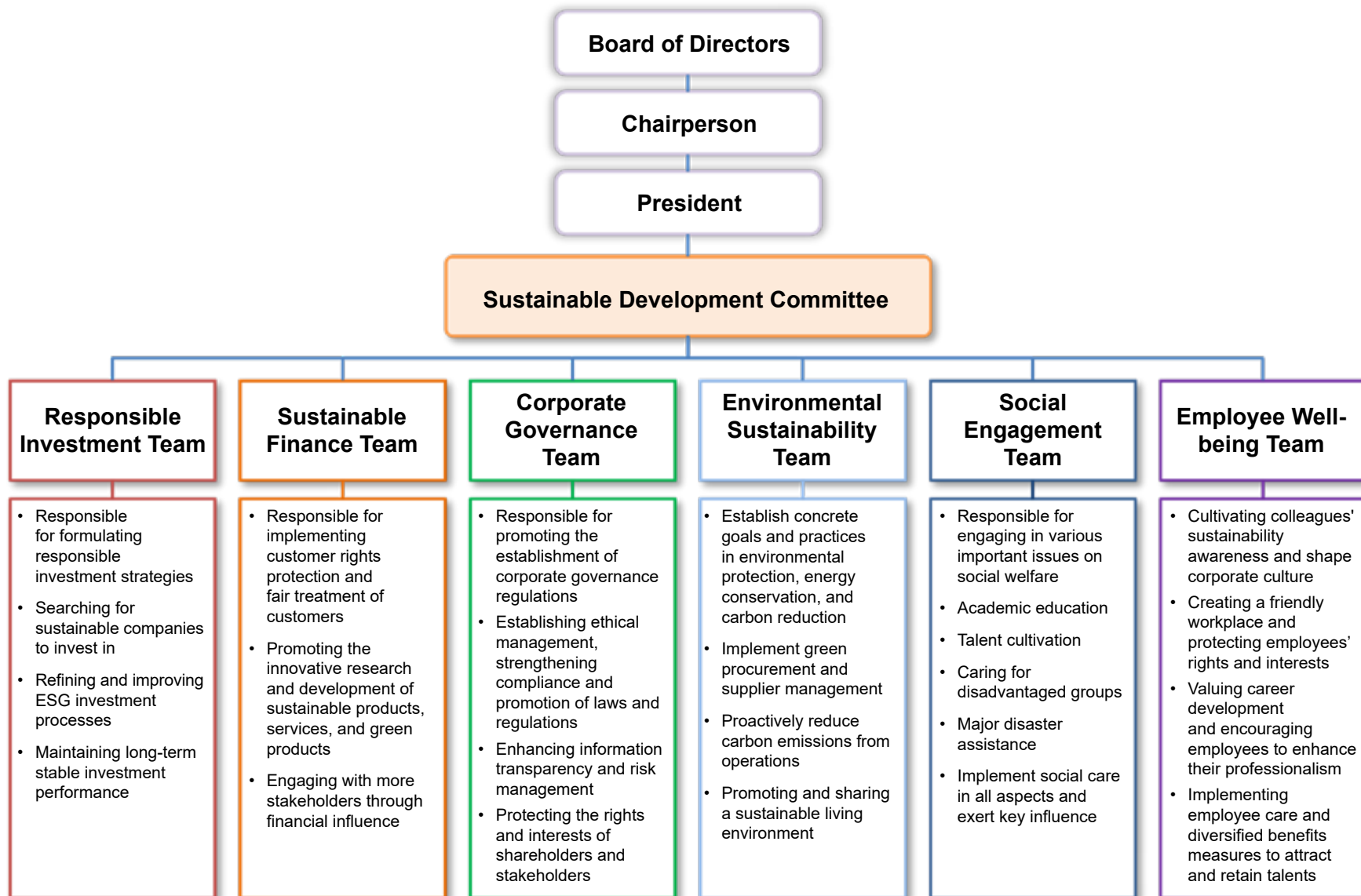
4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

2.3 Stakeholders and material topics

2.3.1 Stakeholder Communication

Concord Securities, in order to have smoother and more diverse communication relationships with stakeholders, based on their communication experience and current situation, and in accordance with the AA1000SES (AA 1000 Stakeholder Engagement Standard) standard, has selected 7 major categories of stakeholders, including "customers, employees, investors/shareholders, competent authorities, suppliers, community/public welfare groups, and media," as the main communication targets. In the process of promoting corporate sustainability, the Company attaches great importance to the expectations and needs of internal and external stakeholders. Through the release of annual reports and sustainability reports, we publicly disclose information on corporate operational performance and ESG, and set up stakeholder sections and communication lines on our official website to understand the needs of stakeholders and their expectations for the Company.

To ensure the implementation of each material topic and the achievement status of goals, the "Sustainable Development Committee" organizes deliberation on issues related to the three major aspects: environment (E), society (human rights) (S), and governance (G), as well as respective short-, medium-, and long-term goals. In 2023, the Company's "Sustainable Development Committee" held a total of 4 meetings. Each team formulates implementation plans for short-, medium-, and long-term goals, which are then supervised and reviewed during the "Sustainable Development Committee" meetings. Furthermore, the implementation results are reported at the nearest board meeting and submitted to the board of directors for report annually.

The communication with stakeholders in various categories and the report contents for the most recent year are as follows:

Stakeholders	Importance	Purpose and significance of communication	Focus/Major Issues	Communication Channels	Communication Frequency	2023 Key Communication Performance
Customers	Adhering to the business philosophy of "Integrity," Concord Securities continues to provide customers with innovative goods and quality services, ensure the transparency and security of goods and service information, and improve customer satisfaction.	Maintain friendly relationships with customers, treat customers fairly, and protect their rights and interests.	<ul style="list-style-type: none"> Customer privacy protection and information security Risk management Service quality and customer satisfaction Sustainable finance Operational performance 	Customer 0800 service hotline, mailbox, and other contact channels.	Regularly	<ul style="list-style-type: none"> ◆ Hold 1 online investor conference to communicate directly with investors. ◆ Make regular announcements of the Company's profit and loss status. ◆ Publish 70 articles of material information in both Chinese and English to communicate with investors/shareholders. ◆ On June 5, 2023, a shareholders' meeting was held to engage in a direct dialogue with shareholders. ◆ In 2023, a total of 13 sessions of "Financial Management Education and Anti-Fraud Awareness Campaign for the Public" were held, benefiting a total of 445 people. ◆ Stakeholders' complaint channel: Contact Us ◆ Customer complaint channel: Customer Reporting Mailbox
				Permanent Know Your Customer (KYC) mechanism.	Regularly	
				Hold financial management and investment seminars.	Irregularly	
				Develop online and mobile ordering systems, and run special events.	Irregularly	
				Advertising, social media.	Regularly	
				The official website provides financial product information, online services, and mobile service apps.	Regularly	
Investors/Shareholders	The long-term support of shareholders and investors is the strength of Concord's steady growth.	Protect shareholders' rights and interests and treat shareholders fairly.	<ul style="list-style-type: none"> Legal compliance Risk management Integrity management Corporate governance Operational performance 	Hold shareholders' meetings and investor conferences.	Annually	
				Disclose company information on the official website and Market Observation Post System.	Irregularly	
				Disclose monthly, quarterly, and annual operational performance reports.	Monthly/quarterly/annually	
				Establish a special area for spokespersons, media public relations, and stakeholders on the official website to provide two-way communication channels.	Regularly	
				Mailbox for complaints and reporting.	Regularly	
				Establish an investor area on the official website to provide investors with transparent and open information.	Irregularly	
				Publish material information in both Chinese and English.	Irregularly	
				Annual report (in both Chinese and English), sustainability report (in both Chinese and English), corporate governance evaluation, and stewardship report.	Annually	

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Stakeholders	Importance	Purpose and significance of communication	Focus/Major Issues	Communication Channels	Communication Frequency	2023 Key Communication Performance
Employees	Talent is the most important key to a company's core competitiveness and competitiveness, and also an important foundation for sustainable management. It ensures a safe environment for employees, provides respect and care, and grows and thrives in sync with the Company.	Improve professional skills, unit cohesion, protect employees' rights and interests, and create a warm and happy working environment.	<ul style="list-style-type: none"> Workplace safety and hygiene Talent attraction and retention Human resource development Human rights and gender equality 	<ul style="list-style-type: none"> Environmental Protection and Occupational Safety and Health Committee, labor-management meetings, and management review meetings for the environmental safety and health management system The internal website and corporate website have a suggestions area and whistleblowing mailbox. The Employee Welfare Committee provides irregular employee-exclusive preferential events. The internal website provides an Enterprise Learning Network platform. The internal website provides job information inquiries and online teaching. Arrange regular physical exams for employees. Arrange department meetings and supervisor meetings for communication. Hire full-time nurses. Provide employee health care information and health consultation services. 	<ul style="list-style-type: none"> Quarterly Regularly Irregularly Regularly Regularly Every 2 years Monthly Regularly Irregularly 	<ul style="list-style-type: none"> Formulate and implement various programs for occupational safety and health, including Maternal Health Protection Program, Overload Prevention Program, Ergonomic Hazards Prevention Program, and Unlawful Infringement Prevention Program, with the aim of actively caring for its employees. The average training hours and number of classes attended by employees decreased by 0.05% compared to the previous year. A total of 3 lectures on health education were held, with 258 participants. Diversified and smooth employee communication channels are set up. In 2023, 4 labor-management meetings were held. Held the annual employee health checkup event, with a total of 564 participants, representing an acceptance rate of 98.6%. The environmental protection and occupational safety and health committee met 4 times in 2023. The management review meeting for the environmental safety and health management system was held once in 2023. The 2023 employee welfare satisfaction survey collected a total of 421 valid questionnaires, representing a recovery rate of 65.37%, calculated based on the number of employees, which was 644 at the end of December 2023. The rating is based on the number of "stars" received out of five, with more stars indicating greater satisfaction. Employees with overall satisfaction level of 4 stars or more account for 75%.
Competent authority	The financial industry is highly supervised by competent authorities, and Concord Securities has a responsibility to comply with relevant regulations, establish control mechanisms, and respond to government policies.	Cooperate with government policies and comply with relevant laws and regulations of the competent authority.	<ul style="list-style-type: none"> Legal compliance Risk management Integrity management Corporate governance 	<ul style="list-style-type: none"> Participate in government-organized courses and seminars. Cooperate with the competent authority in various supervision and project audits. Proactively analyze changes in company-related changes laws, regulations, and published cases. Sign the "Stewardship Principles for Institutional Investors" compliance statements and evaluations on time. Complete the "Equitable and Fair Treatment of Customers" assessment on time. 	<ul style="list-style-type: none"> Irregularly Irregularly Irregularly Annually Annually 	<ul style="list-style-type: none"> Organized on-the-job training in securities, futures, and wealth management, with a total of 371 employees participating. Regularly monitor laws and regulations governing securities and futures for each department, and keep track of each department's business activities or the progress of updating management regulations. In 2023, 235 pieces of regulatory information and propaganda about legal compliance and disciplinary cases were published. The competent units shall respond to the FSC and relevant government agencies via email or in writing.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Stakeholders	Importance	Purpose and significance of communication	Focus/Major Issues	Communication Channels	Communication Frequency	2023 Key Communication Performance
Suppliers	Implementing sustainable management and ESG together with suppliers who are the partners of Concord.	Become a long-term partner of Concord.	• Climate change and environmental protection	• Prioritize procurement of environmentally and socially friendly products.	Regularly	<ul style="list-style-type: none"> ◆ In August 2023, we re-invited our partners and suppliers to sign the "Human Rights and Environmental Sustainability Clause Commitment". A total of 39 suppliers signed the commitment, with a 38% increase in the participation rate. ◆ Passing the "ISO 14064-1:2018" greenhouse gas inventory verification, the scope covers a total of 16 locations of domestic headquarters and branches, with a coverage rate of 100%
				• Actively invite suppliers to sign the "Human Rights and Environmental Sustainability Clause Commitment."	Regularly	
				• Advocate the Company's requirements for the environment, human rights and other supply chains, and promote the ESG concept of common good.	Regularly	
Communities/ Public welfare groups	Gathering the power of communities/public welfare groups to continuously transmit positive energy to Taiwan.	Maintain good interactive relationships with communities/public welfare groups.	• Social welfare	• Participate in community welfare activities and support public welfare donations.	Irregularly	<ul style="list-style-type: none"> ◆ A total of 80 volunteers were engaged, contributing 243 hours. ◆ Continuously organize the "Concord's Old Clothes, Keep the Love Alive" event, with a total of 46 volunteers participating and 4,766 pieces of clothing raised. ◆ Donated NT\$350,000 to the Daojiang Youth Baseball team, with 78 student beneficiaries. ◆ Collaborated with the 1919 Food Bank to donate 1,000 food packages, totaling NT\$ 300,000; 1919 Spread Love with Shoeboxes to children in rural areas, distributing a total of 380 Christmas gifts to 29 schools across the nation. ◆ The Company's public welfare activities are disclosed on the official website - News Center
				• Care for the disadvantaged and schoolchildren in rural areas to bridge the gap in educational resources between urban and rural areas.	Irregularly	
				• Call on colleagues to form teams for beach clean-up activities aimed at protecting Taiwan's coastline and marine ecology.	Irregularly	
Media	Creating good relationships and a positive image is an important channel between Concord and stakeholders.	Maintain important communication and interaction channels with stakeholders through the media.	• Brand image	• Provide the latest market overview and financial product information.	Irregularly	<ul style="list-style-type: none"> ◆ During the year, a total of 35 press releases (31 for securities and 4 for futures) were issued, with exposure in 234 internet news articles and 61 print news articles, totaling 295 news articles, with an average exposure rate of 8.42 news articles per issue. (an increase of 7.4% from 7.84 articles last year) ◆ Have dedicated personnel responsible for the media communication of the Company and subsidiaries.
				• Media publicity, press conferences, and advertisements.	Irregularly	



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

2.3.2 Analysis of major issues

Concord Securities identified major issues based on the four principles of inclusiveness, materiality, responsiveness and impact by referring to GRI Standard and AA 1000 accountability principles, and evaluated the significance of major issues' impact on economy, environment and people (including human rights) in accordance with the 2021 version of the GRI General Standard, as the basis for sustainable development strategic planning.

The Company values the opinion of stakeholders, including seven categories: customers, employees, investors/shareholders, competent authorities, suppliers, communities/charities, and media. The Company communicates with different stakeholders through various channels to understand and identify the issues they are concerned about. The Company evaluates material topics annually and submits the evaluation results, along with internal and external risks faced by financial-related businesses, to the Sustainable Development Committee for review. Subsequently, the results are presented to the President and Chairperson for approval before being published following approval by the Board of Directors.

2.3.3 Material topic identification procedure

1. Identification

With reference to the GRI Standards, the Sustainable Development Team referred to international sustainability norms and standards, domestic financial peer cases, and considered stakeholder feedback, to compile 15 ESG issues (Note).

2. Evaluation and analysis

The Sustainable Development Team distributes impact assessment questionnaires through internal supervisors to further assess the probability of occurrence and the scale of impact of each sustainability topic causing positive benefits and negative impacts on E (environment), S (social/human rights), and G (governance).

3. Prioritization of issues

Based on the probability of occurrence and the scale of positive/negative impacts, the impact level of each sustainability topic is determined and sorted according to the impact level. Topics with a positive or negative impact level over 60% are considered material topics. The Corporate Sustainability Team confirms, ranks, and discloses them in the report.

4. Review and confirmation

According to the reporting requirements of each topic, this report reveals the response strategies, short, medium, and long-term goals, achievement performance, and management policies for major issues.

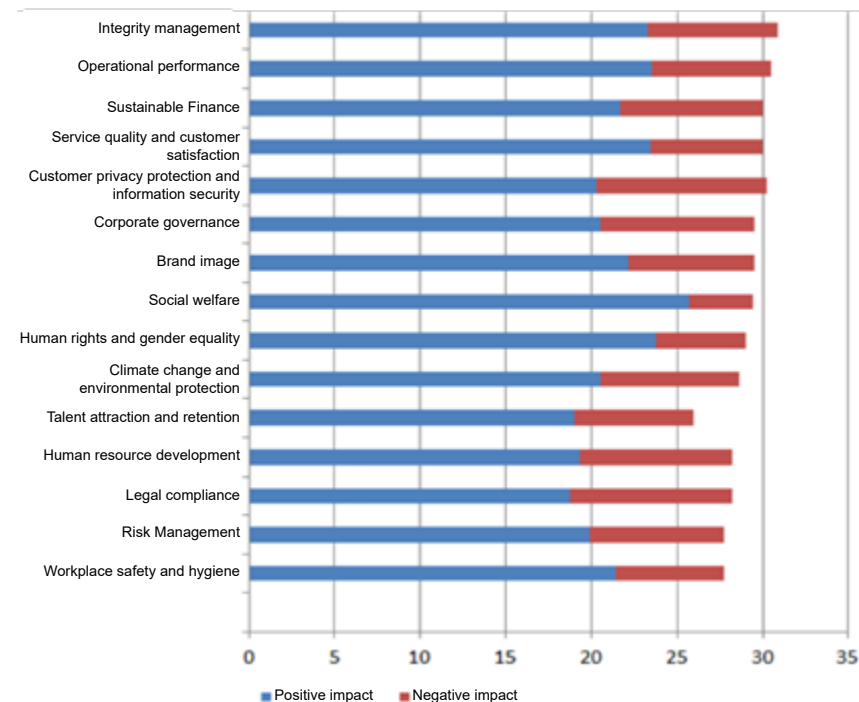
Upon the material topic identification procedure, the Company retained 15 material topics and identified the positive and negative impacts of each topic based on scores given by each department head. According to the scoring results, "climate change and environmental protection" was not included in the material topics. However, considering the threat that climate crisis imposes to mankind, its importance should not be excluded. Therefore, it was adjusted to be included as one of the material topics. There were a total of 9 material topics for 2023.

The Company's top seven material topics for 2022 are "Talent Attraction and Retention," "Risk Management," "Legal Compliance," "Integrity Management," "Workplace Safety and Hygiene," "Service Quality and Customer Satisfaction," Customer Privacy Protection and Information Security." As for the top 7 material topics for 2023, except for "Integrity Management" and "Service Quality and Customer Satisfaction" remaining unchanged, 6 topics were newly included, namely "Operational Performance," "Sustainable Finance," "Customer Privacy Protection and Information Security," "Corporate Governance," "Brand Image," and "Social Welfare."

15 issues of Concern in 2023



Impact Ranking of Sustainability Issues



Note: The unit of impact level is points, with a maximum score of 50 points. A material topic with a positive or negative impact level of more than 30 points (60%) is considered a material topic.

2.3.4 Material Topics and Impact Boundaries

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance










4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Material Topics	SDGs Indicators	Aspects	Corresponding GRI Specific Topics	Corresponding Chapters	Impact Boundaries and Degree of Involvement							
					Securities and subsidiaries	Customers	Investors/ Shareholders	Employees	Competent authority	Communities/ Public welfare groups	Suppliers	Media
Integrity management	 16.5, 16.6, 16.7	Governance	GRI 205-2 GRI 205-3	1.3 Corporate Governance 1.8 Ethics and Integrity	Direct Impact	Direct Impact	Contributive Impact	Direct Impact	Contributive Impact	Contributive Impact	Business Relationship	
Operational performance	 8.2	Governance	GRI 201-1 GRI 201-3	1.2 Operational Performance	Direct Impact	Business Relationship		Direct Impact				
Sustainable Finance	 8.10	Society Human rights	SASB sustainable accounting standard comparison table	4. Sustainable Finance	Direct Impact		Contributive Impact					
Service quality and customer satisfaction	 10.5, 10.6, 12.8	Society Human rights	Self-Defined Material Topics	4.3 Inclusive finance 4.4 Customer relationship management		Direct Impact	Contributive Impact	Direct Impact				
Customer privacy protection and information security	 5.b, 16.6, 16.7	Society Human rights	GRI 418-1	1.5 Information Security	Direct Impact	Business Relationship	Direct Impact	Contributive Impact				
Corporate governance	 5.1, 5.5, 12.6, 12.7, 16.5, 16.6	Governance	GRI 205-2 GRI 205-3	3. Sustainable governance	Direct Impact		Direct Impact		Direct Impact			
Brand image	 8.10	Society Human rights	Self-Defined Material Topics	2023 Key Sustainability Performance	Direct Impact	Contributive Impact	Contributive Impact	Direct Impact				
Social welfare	 1.1, 1.4, 1.5, 4.2, 4.3, 4.5, 4.7	Society Human rights	GRI 203-1	7. Social Co-prosperity	Direct Impact					Direct Impact		
Climate change and environmental protection	 12.2, 12.5, 2.8, 13.3	Environment	GRI 302-1 GRI 302-3 GRI 302-4 GRI 305-1~305-5	6. Environmental Sustainability	Direct Impact	Direct Impact					Direct Impact	

2.3.5 Material Topics Management and Commitments

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Material Topics	Policies and Commitments	Positive/Negative Impact Management	Action and Performance Evaluation	Corresponding Chapters (including relevant education and training)	Sustainable Development Strategic Goal Planning/Items
Integrity management	Develop integrity management policies in accordance with regulations, such as the "Integrity Management Code", "Code of Ethical Conduct", and "Integrity Management Operating Procedures and Guidelines for Conduct". Establish a relevant code of conduct to inspect the Company's stakeholders. The goal is to prevent the Company from directly or indirectly providing, promising, requesting, or accepting any illegitimate benefits, or performing other dishonest acts that violate good faith, are illegal, or breach fiduciary obligations.	<ul style="list-style-type: none"> ■ Positive: Develop and supervise the implementation of integrity management policies and prevention plans, and regularly report to the board of directors. Actively assisting the board of directors in implementing their commitment to integrity management, supervising the Company's internal management and commercial activities to comply with integrity management, positively impact both economic and commercial activities. ■ Negative: Violation of integrity and conduct, resulting in damage to the Company's reputation, shareholder, employee rights, and partner rights. 	<ul style="list-style-type: none"> ◆ The Company shall plan and organize training courses related to ethical management on a regular basis. In 2023, it held online courses including legal advocacy on financial consumer protection and the principles of fair treatment for consumers, legal advocacy on ethical management, and legal advocacy on acts prohibited for the personnel of securities business, with 3,680 persons participating in the training and 6,919.66 total accumulated hours. 	3.4 Ethics and integrity	<ul style="list-style-type: none"> ◆ Goal 34: Strengthen the functions of independent directors and the Audit Committee
Operational performance	Improve the Company's operational and financial performance, create value for shareholders and investors, and enhance the positive benefits of the operation and economic environment.	<ul style="list-style-type: none"> ■ Positive: The Company's outstanding operational performance and sustained profitability are capable of creating higher economic value for stakeholders. ■ Negative: The Company's poor operational performance may affect the rights and interests of stakeholders. 	<ul style="list-style-type: none"> ◆ Regularly monitor capital liquidity and raise capital if such risk arises. 	1.2 Operational Performance	<ul style="list-style-type: none"> ◆ Goal 39: Sustainable Governance of the Company
Sustainable Finance	Value the development of sustainable finance and align with global trends by formulating sustainable finance standards, gradually integrating ESG factors into the development of investment and financial products and services, providing diversified financial services, and fostering the development of corporate with the concept of sustainability.	<ul style="list-style-type: none"> ■ Positive: Encouraging business partners to set sustainability goals, promoting green energy, and supporting sustainability-related industries and companies with good ESG performance can encourage society to implement sustainability and other positive impacts. ■ Negative: Controversial industries and companies with low ESG ratings will lose the favor from investors, which will affect the long-term stock price. If the Company invests in related companies, it will affect long-term profits. 	<ul style="list-style-type: none"> ◆ Quarterly review the progress and performance of promoting sustainable investment and ESG products and services through meetings of the Sustainable Development Committee, aiming to integrate ESG into its operations. 	4.1 Sustainable Responsible Investment	<ul style="list-style-type: none"> ◆ Goal 6: Stewardship Rating for Institutional Investors ◆ Goal 7: Counsel TWSE/TPEX and emerging companies in implementing ESG ◆ Goal 8: Hold ESG Innovation and Circular Economy Forum ◆ Goal 9: Actively participate in the shareholders' meeting and negotiation of the invested company
Service quality and customer satisfaction	Provided system quality is a high-quality and stable service system, which can efficiently solve customer needs, improve customer satisfaction in the interaction process with the Company, and achieve the best customer relationship management.	<ul style="list-style-type: none"> ■ Positive: Starting from customer needs, Inclusive Finance has launched a high-quality and stable service system, as well as petty financial products, allowing all groups in society to access affordable financial services, which has positive economic benefits. In the environmental aspect, providing online account opening channels to reduce carbon emissions has a positive impact on business activities and people (including human rights). ■ Negative: Affecting service quality, satisfaction, and customer loyalty. 	<ul style="list-style-type: none"> ◆ Real time interaction with customers through community websites such as LINE @, Facebook, YouTube, Instagram, etc. ◆ Establish customer feedback email/appeal hotline/text customer service 	4.4 Customer relationship management	<ul style="list-style-type: none"> ◆ Goal 10: Improve the market share of electronic orders for digital users ◆ Goal 11: Establish a separate account to provide investors with the ability to open securities accounts without the need to add a bank account, reducing the resource consumption of bank account opening ◆ Goal 12: Provide ESG value investment products ◆ Goal 13: Establishment of ESG ETF area on the regular investment platform, "Good Fun Investment"

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Material Topics	Policies and Commitments	Positive/Negative Impact Management	Action and Performance Evaluation	Corresponding Chapters (including relevant education and training)	Sustainable Development Strategic Goal Planning/Items
Customer privacy protection and information security	Establish information security policies and goals, provide comprehensive information security protection, create a reliable financial transaction environment, ensure a complete information security system, and strengthen information security defense.	<ul style="list-style-type: none"> Potential negative impact: Damage to customer rights, resulting in an impact on loyalty and trust. Continuously improving various standards and operating procedures, internal self-evaluation, self inspection, and regular education and training, strengthening employees' awareness of valuing customer privacy protection and information security, avoiding compensation and penalties imposed by competent authorities. 	<ul style="list-style-type: none"> Passed ISO 27001 Information Security Management System verification. Regularly completed the core system information security health check and improvement. System vulnerability scanning and fixing twice a year. Regularly completed external website penetration testing and fixing. Regularly completed the incident collection and analysis platform construction and recorded core system incidents for analysis. 	3.5 Information security	<ul style="list-style-type: none"> Goal 41: Information security Goal 42: Strengthen the mechanism of information security protection Goal 43: Promote the introduction of international standards for information security protection Goal 44: Establish an information security inspection mechanism
Corporate governance	Sound corporate governance and integrity management are the foundation of the company's operations. In particular, the financial industry plays an important role in maintaining the stability of the financial environment and the commercial capital flows. Therefore, we are committed to sound management, supervision over decision-making, and professional integrity management, all of which are keys to gain trust from stakeholders.	<ul style="list-style-type: none"> Positive: The implementation of laws and regulations, such as the "Corporate Governance Best Practice Principles," along with the formulation of operational practices, contributes the establishment of a sound corporate governance system and stability of the corporate operations. Negative: The rights and interests of stakeholders may be affected due to poor corporate governance performance and material deficiency, or incidents involving dishonesty, corruption, deception, or fraud. 	<ul style="list-style-type: none"> Corporate Governance Best Practice Principles 	3. Sustainable governance	<ul style="list-style-type: none"> Goal 33: Promote gender diversity of directors Goal 34: Strengthen the functions of independent directors and the Audit Committee Goal 45: The Sustainable Development Commission promotes the short, medium and long-term goals of sustainable development
Brand image	A good brand image can improve the service quality of the enterprise and maintain a good relationship with customers, thereby optimizing the brand image.	<ul style="list-style-type: none"> Positive: Improve corporate image and business performance. Negative: The rights and interests of customers may be affected due to poor corporate image or the failure to treat customers fairly. 	<ul style="list-style-type: none"> Implement fair treatment of customers Provide innovative and high-quality financial products and services 	2023 Key Sustainability Performance	<ul style="list-style-type: none"> Goal 46: Implement the principles of treating customers fairly and an accountability mechanism
Social welfare	Promote corporate responsibility in community management, cultural development, and sustainability. Help disadvantaged groups in rural areas achieve independence and alleviate poverty, as well as provide scholarships.	<ul style="list-style-type: none"> Positive: Assist disadvantaged groups, rural areas, and other needy groups in society using our ability and core expertise to fulfill our responsibilities as a corporate citizen. Negative: It is difficult for disadvantaged groups and families to obtain resources. How to maximize the benefits from the Company's limited resources requires thorough consideration and planning. 	<ul style="list-style-type: none"> Social care: Continuously organize charity activities. Sports and competition: Continuously cultivate baseball talents and seeded players. Fulfill responsibilities as a corporate citizen 	7. Social Co-prosperity	<ul style="list-style-type: none"> Goal 25: Establishment of the Concord Charitable Foundation Goal 26: The number of sponsoring public welfare groups Goal 27: Support the promotion and foundation establishment of financial knowledge education Goal 28: 1919 public welfare activities Goal 29: Organize blood donation activities Goal 30: Donate old clothes to help Eden Goal 31: Donation of touring medical vehicles

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Material Topics	Policies and Commitments	Positive/Negative Impact Management	Action and Performance Evaluation	Corresponding Chapters (including relevant education and training)	Sustainable Development Strategic Goal Planning/Items
Climate change and environmental protection	Committed to establishing a corporate green culture and mitigating the environmental impact of our operations by managing internal energy consumption and greenhouse gas emissions, continuously improving energy efficiency, and actively making procurement with green, energy-saving labels.	<ul style="list-style-type: none"> ■ Positive: Caring about climate action issues, setting carbon reduction goals, and implementing actions, such as greenhouse gas inventory, energy management, climate finance, and supply chain carbon reduction management, can mitigate global warming and harness the power of finance to foster low-carbon industrial transformation . ■ Negative: The exacerbated greenhouse effect caused by greenhouse gas emissions may result in climate-related disasters, further imposing impacts on the economy, the environment, and the public. 	<ul style="list-style-type: none"> ◆ Environmental, energy and climate change management policies 	6. Environmental Sustainability	<ul style="list-style-type: none"> ◆ Goal 2: ISO 14064-1 greenhouse gas inventory and verification ◆ Goal 3: Introduce and continuously deepen climate risk management



CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

**3. Sustainable
Governance**

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix



3. Sustainable Governance

3.1 Corporate governance

3.2 Risk management

3.3 Legal compliance

3.4 Ethics and integrity

3.5 Information security

CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

**3. Sustainable
Governance**

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix

3. Sustainable Governance

Performance Highlights

- ◆ The Company received five awards from the 19th National Brand Yushan Award, namely the "Outstanding Enterprise," "Outstanding Enterprise Leader," "Best Product," "Most Popular Brand," and the "National First Award for Outstanding Enterprise Leaders." Chiu, Jung-Chen, President of Concord Securities, who received the National First Award for Outstanding Enterprise Leaders, was invited to meet with President Tsai, Ing-Wen at the Presidential Office Building.
- ◆ Honored as the only one TPEx-listed securities firm among the "List of Better Disclosures of the Stewardship Information 2023."
- ◆ Won the Silver Award in the "Corporate Sustainability Reporting Category" - Finance and Insurance Industry TCSA Taiwan Corporate Sustainability Report Awards.
- ◆ Won the Silver Award in the "Corporate Sustainability Reporting Category" - Finance and Insurance Industry TCSA Taiwan Corporate Sustainability Report Awards.
- ◆ The risk management assessments have been ranked level 2 (good grade) for 11 consecutive years.



3.1 Corporate governance

Since its establishment, Concord Securities has continuously improved its corporate governance effectiveness and implemented the corporate governance system at all levels. The Company has endeavored to safeguard the rights and interests of shareholders, strengthen the board of directors' operations, enhance internal risk management, improve information transparency and continuously improve corporate governance measures to operate sustainably and share the prosperity with society. Starting from May 8, 2019, a corporate governance supervisor was established to implement corporate governance standards. The aim is to improve the system and organizational structure, enhance the effectiveness of corporate strategic management, and supervise the behavior of managers, ensuring that the board of directors and manager can achieve operational goals in a way that is in line with the best interests of the Company and all shareholders, thereby enhancing overall competitiveness.

3.1.1 Sustainable Development and ESG Performance Management

The board of directors is the highest governing unit of the Company. In addition to carrying out business in accordance with laws, regulations, articles of incorporation and resolutions of the shareholders' meeting, the Company's strategic plan, annual and quarterly financial reports, evaluation of the effectiveness of the internal control system, appointment (dismissal) of certified public accountants, and appointment and removal of managers must be approved by the board of directors. The board of directors, through regular and irregular meetings held several times within a year, authorizes the chairperson to deal with economic, environmental and social (human rights) issues related to corporate governance in a hierarchical manner or directly delegate them to relevant units. The president is responsible for economic performance issues, and the Sustainable Development Committee is responsible for promoting issues, and reporting to the board of directors regularly and follow-up. In 2023, the Sustainable Development Committee reported the ESG short, medium and long-term goal strategy and performance to the board of directors three times.

3.1.2 Organization and structure of the Board of Directors

The Company has established three functional committees under the board of directors to implement corporate governance and strengthen the management functions of the board of directors: the Audit Committee, the Remuneration Committee, and the Risk Management Committee. We aim to improve the organization and responsibilities of each functional committee to ensure the strategic guidance of the board of directors to the Company and the effective supervision of the management department. Among all the directors, only Director Cheng, Ta-Yu serves as the chairman; other directors do not hold other positions in Concord Securities. The highest governance unit is the board of directors, with the chair serving as the Chairman. The top management is the President, who reports to the Chairman (the President and the Chairman are not the same person).

The board of directors is composed under the consideration of gender equality and according to the Company's "Corporate Governance Best Practice Principles." The capabilities of the overall board members are disclosed in the "Board Diversity Policy and Implementation" area on the Company's official website.

The Company's board of directors consists of 11 directors (including 3 independent directors) with rich expertise and experience in business, law, finance, accounting, etc. There are 8 male members (accounting for 72.73%) and 3 female members (accounting for 27.27%), who were elected via the candidate nomination system to serve a three-year term from July 12, 2021, to July 11, 2024. The criteria for nominating and selecting members of the highest governance unit do not currently take into consideration the perspectives of stakeholders (including shareholders) or the abilities related to organizational impact.

Concord Securities Group Organization Chart

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

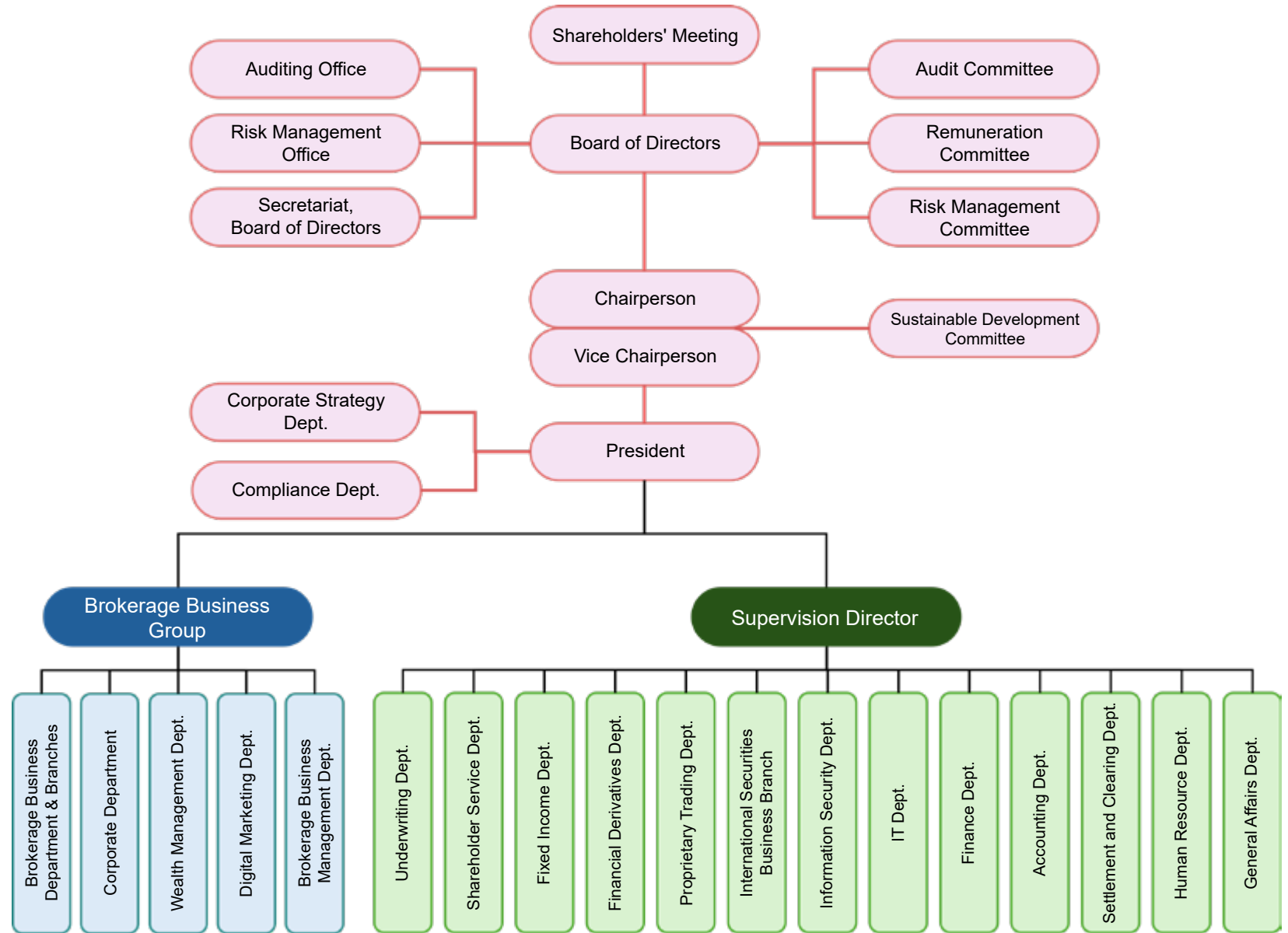
4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

3.1.3 Board of Directors' System

The Company's "Rules of Procedure for Board of Directors Meetings" are formulated for compliance according to the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" to establish a good board of directors governance system, improve their supervision function, and strengthen their management function for the Company. Matters that the Company's Board of Directors should discuss are disclosed in the "Corporate Governance" area on the Company's official website.

The convening procedures, agenda, operating procedures, matters to be included in the minutes, announcements, and other compliance matters of board meetings are handled in accordance with laws and regulations. We have also established recusal provisions for conflicts of interest. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

3.1.4 Directors' Independence and Conflict of Interest Management

Concord Securities currently has three independent directors, accounting for 27% of the total. All external directors are eligible for independence.

The Company has established the "Rules for the Scope of Duties of Independent Directors", which stipulate that "if an independent director has any objections or reservations, they shall be recorded in the minutes of the board of directors." The Company or the board of directors shall not obstruct, refuse or evade the performance of the duties of an independent director. "When it is deemed necessary for the performance of the duties of an independent director, the board of directors may request the appointment of relevant personnel or the hiring of experts to assist in handling the duties, to ensure that the independent director is able to perform their duties effectively, effectively enhancing the operation of the board of directors and the Company's operational performance.

Conflict of interest management:

Cheng, Ta-Yu, a director of the Company, holds 258,782 shares of related enterprise Concord Futures Co., Ltd., accounting for 0.32%.

The top ten shareholders in the Company's shareholding ratio, who are related parties, spouses, or relatives within the second degree, as well as the number of shares held by the Company, its directors, managers, and enterprises directly or indirectly controlled by the Company in the same reinvested enterprise, shall be combined and calculated for comprehensive shareholding ratio, which shall be disclosed in Note 32 "Related-Party Transactions" of Chapter Six (IV) of our 2023 annual report, or please link to the Company's official website - [Shareholders' meeting information](#).

3.1.5 Independence of Directors

The Company has 3 Independent Directors, accounting for 27% of the total Directors. None of the independent directors serves as directors, supervisors, or employees of the Company or its affiliated companies. For all Independent Directors, their spouse or relative within the second degree of kinship does not serve as a director, supervisor, employee of the Company or any affiliate of the Company; they or their spouse, relative within the second degree of kinship (or under others' names) neither hold shares of the Company nor serve as a director, supervisor, or employee of the Company that has a specific relationship with the Company; or they do not provide commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past 2 years has received compensation. The Company's Board of Directors conforms to the principle of independence. Among the 11 Directors (including 8 Directors and 3 Independent Directors), neither a spousal relationship nor a familial relationship within the second degree of kinship exists, and thus none of the circumstances referred to in Paragraph 3 and 4 of Article 26 - 3 of the Securities and Exchange Act have occurred. As for the review of the qualifications of the Company's independent directors for 2023, the Chief Corporate Governance Officer reported the review results at the 21st meeting of the 12th Board of Directors.

3.1.6 Diversity of the Board

Members of the 12th Board of Directors were elected during the shareholder' meeting held on July 12, 2021, and the re-election is expected to be held in June 2024. With strong capabilities, the Board

members not only oversees the management team on behalf of shareholders, but also assists the Company in the evaluation and judgment on making material decisions. The election of the Company's directors shall be resolved at the board of directors and submitted to the shareholders' meeting. The Company pays attention to diverse backgrounds of board members, including a wide diversity of age, gender, industrial experience, professional knowledge and skills, the board members having the extensive experience and expertise in the fields of finance, law, accounting, IT, business, social enterprise, merger, and management.

Cores of Diversification Name	Industrial Experience								Professional Abilities				
	Finance & Banking	Investment & Accounting	Public Welfare & Social Enterprise	Administration & Management	Marketing & Creativity	Information Technology & Management Consulting	Law	Construction & Machinery	Others	Law	Accounting	Finance and Risk Management	Others
Cheng, Ta-Yu	✓	✓	✓	✓	○	✓					✓	✓	
Chin-Te Chang	✓	✓	✓	✓	○	○	✓	○		✓	✓	✓	
Lee, Chin-Shen	✓	✓	✓	✓	○	○		○			○	✓	
Chen, Qiong-Ling	✓	✓	○	✓		○	○	○		○	✓	✓	
Tsai, Sung-Po	✓	○	✓	○			○			○	✓	✓	
Yang, Ming-Wang	✓	✓	✓	✓	✓	○	✓	✓		○	✓	✓	
Ma, Pei-Chun	✓	✓	✓	✓								✓	
Chuang-Yuan Lee	✓	○	✓	✓	✓	✓	✓	○		✓		✓	
Chang, Yao-Ren	✓	✓	✓	✓	○	✓	○	✓			✓	○	
Huang, Hsiu-Hui	✓	✓	✓	✓			✓			✓		✓	

In general, the current board members include 3 females (one of them is an Independent Director), accounting for as high as 27%, while the goal is to reach one-third of the Board. In the future, we will continue to work on gender equality in the composition of the board of directors. There are 3 members of the Company's audit committee, with Independent Director Alex Chang serving as the convener of the current audit committee. (Note)

Note: Independent Director Huang, Tian-Chang was discharged on August 18, 2023.

Specific management objectives of the Company's board member diversity policy and achievement status:

Management Objectives	Achievement Status
Number of female directors >= 2	Achieved
Independent directors serve for no more than 3 consecutive terms	Achieved
At least one of the independent directors holds a CPA certificate or a background in finance or corporate management	Achieved
Directors of each gender account for at least one-third of all directors	The re-election in 2024 will be organized towards the objective
Independent directors account for at least one-third of all directors	The re-election in 2024 will be organized towards the objective

3.1.7 Academic experience and professional background of the Company's directors

Director's main academic experience as of January 31, 2024. The directors' education and professional background are related to the material topics of this report, namely "operational performance," "brand image," and "climate change and environmental protection." The stakeholder representatives of the board members consist solely of the "investors/shareholders." At present, none of the board members are shareholders with direct controlling (holding more than 50% of the shares).

As of June 6, 2024

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Title	Gender	Educational background	Experience	Positions held concurrently in the Company and others companies	
Chairperson Zhong Yang Investment Co., Ltd. Representative: Cheng, Ta-Yu	Male	Fairleigh Dickinson University Master of Information Management	<ul style="list-style-type: none"> Chairperson of Concord Securities Co., Ltd. Chairperson of Concord Futures Co., Ltd. 	<ul style="list-style-type: none"> Director of Corporate Equity Investment Association R.O.C. Director of Taiwan Securities Association Deputy convener of the R&D Committee of Taiwan Securities Association 	<ul style="list-style-type: none"> Convener of the education, training and promotion Committee of Taiwan Securities Association Chairperson of Taiwan-Japan-ASEAN Business Association
Director Zhong Yang Investment Co., Ltd. Representative: Chin-Te Chang	Male	Ph.D. in Accounting, U.S. Federal State International University National Chung Cheng University Doctor of Law	<ul style="list-style-type: none"> Superintendent of CROWN & Co., CPAs President of CPA Associations of ROC Director of the Department of Accountancy, Chinese Culture University Dean and chair professor of the College of Management, Chaoyang University of Technology Chair professor of the Department of Accounting & Information Systems, Asia University Independent director of Concord Securities Co., Ltd. Adjunct professor of the Department of Law, National Chung Hsing University 	<ul style="list-style-type: none"> Superintendent of CROWN & Co., CPAs Chairperson of Guanbao International Consulting Co., Ltd. Independent director of JUKAO ENGINEERING CORP. Independent director of PharmaEssentia Corp. Director of PharmaEssentia Corp. 	<ul style="list-style-type: none"> Chairperson of the Taiwan Institute of Business Director of the National Chung Cheng University Academic Foundation Arbitrator of the Chinese Arbitration Association, Taipei, and Taiwan Construction Arbitration Association
Director Zhong Yang Investment Co., Ltd. Representative: Lee, Chin-Shen	Male	Ph.D. (Finance), Department of Management Science, National Yang Ming Chiao Tung University	<ul style="list-style-type: none"> Associate professor and dean, Department of Finance, Ming Chuan University Adjunct professor of the Department of Banking and Finance, Tamkang University Associate professor of the Department of Management Science, National Chiao Tung University Independent director of Concord Securities Co., Ltd. 	<ul style="list-style-type: none"> Dean of the School of Financial Technology, Min Chuan University Professor of the Department of Finance, Ming Chuan University Director of Pinbao Construction Co., Ltd. Director of YUNGCHIY INTERNATIONAL DEVELOPMENT CO., LTD. Supervisor of Moai Green Power Corp. Supervisor of YAPP MARKETING CO., LTD. 	<ul style="list-style-type: none"> Supervisor of Hongbao Asset Management Consulting Co., Ltd. Supervisor of Poinsettia Biotechnology Co., Ltd. Supervisor of Popeye Marine Biotechnology Ltd. Supervisor of Concord Capital Management Corp. Director of EnnoRise Corporation
Director Shikai Investment Co., Ltd. Representative: Chen, Qiong-Ling	Female	Department of Statistics and Information Science, Fu Jen Catholic University	<ul style="list-style-type: none"> Vice President of Hwang Chang General Contractor Co. Ltd. Supervisor of Ho Chang International Contractor Director of Hwang Chang General Contractor Co. Ltd. 	None	
Director Taiming Development Co., Ltd. Representative: Chuang-Yuan Lee	Male	College of Law, National Taiwan University	<ul style="list-style-type: none"> Executive vice president, SHINKONG CO., LTD. Executive vice president, SHINKONG TEXTILE CO., LTD. Chairperson of KUO CHUAN MACHINERY INDUSTRIAL CO., LTD. Director of China Airlines Chairperson of Fortune Information Independent director of IBF Financial Holdings Independent director of IBF Securities Director of BIG SUNSHINE CO., LTD. Supervisor of JKO Asset Management Co., Ltd. Supervisor of JKO Asset Management Director of Kang-Ning General Hospital 	<ul style="list-style-type: none"> Director of Daye International Investment Co., Ltd. Director of JUKAO ENGINEERING CORP. Supervisor of Asia Hepato Gene Co. Chairperson of BioChina 	
Director Yuan Lung Construction and Development Co., Ltd. Representative: Ma, Pei-Chun	Female	Carnegie Mellon University Economics	<ul style="list-style-type: none"> Supervisor of Federal Corporation Director of Lohas Social Enterprise Co., Ltd. Director of Federal Corporation Supervisor of Gold Mountain Investment Co., Ltd. 	<ul style="list-style-type: none"> Director of Da Yuan Construction Co., Ltd. Director of Da Tian Investment Co., Ltd. Director of Yuan Long Construction and Development Co., Ltd. Director of the Happy Life Taiwan Foundation 	<ul style="list-style-type: none"> Supervisor of Chun Tung Asset Management Co., Ltd. Director of the Chinese Culture Foundation Supervisor of Lohas Social Enterprise Co., Ltd.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Title	Gender	Educational background	Experience	Positions held concurrently in the Company and others companies
Director De Ye Investment Co., Ltd. Representative: Yang, Ming-Wang	Male	Department of Public Finance, Feng Chia University	<ul style="list-style-type: none"> CEO of Yuan Ta Financial Holding Co., Ltd. 	<ul style="list-style-type: none"> Chairperson of He Yi Investment Co., Ltd. Chairperson of De Ye Investment Co., Ltd. Chairperson of Te Chan Investment Co., Ltd.
Director JIAYI PROGRESSIVE ENTERPRISES LTD. Representative: Tsai, Sung-Po	Male	Insurance Division, Tatung Institute of Technology	<ul style="list-style-type: none"> Director of Jing Hua Hotel Co., Ltd. Director of KOMPHORT ROYAL LIFE ENTERPRISE CO., LTD. 	<ul style="list-style-type: none"> Supervisor of San Hua Ying Industrial Co., Ltd. Director of RIGUAN CO., LTD. Chairperson of Hong Yuan Investment Co., Ltd. Director of Quan Hui Investment Co., Ltd. Chairperson of Min Yi Investment Co., Ltd. Chairperson of Minzhao Investment Co., Ltd. Director of Donghong Investment Co., Ltd. Chairperson of Xinguang Co., Ltd. Chairperson of Li Chin Management Consulting Limited Chairperson of Taijin Management Consulting Co., Ltd. Supervisor of Kang Lin Investment Co., Ltd. Chairperson of SUN-CHUAN PUBLISHING CO., LTD. Supervisor of Shang Lin Investment Co., Ltd. Supervisor Huichu Investment Co., Ltd. Supervisor Huishuo Investment Co., Ltd. Chairperson of Zichuan Investment Co., Ltd. Supervisor of Zihui Enterprise Co., Ltd. Director of JIAYI PROGRESSIVE ENTERPRISES LTD.
Independent Director Chang, Yao-Ren	Male	Department of Civil and Construction Engineering, National Taiwan University of Science and Technology	<ul style="list-style-type: none"> Civil servant, Public Housing Office, Taipei City Government President of Baogu Construction Co., Ltd. Former president of the Rotary Club of Taichung Chungshin Chief technician of Jingfuxiang Construction Co., Ltd. 	<ul style="list-style-type: none"> Partner accountant of Yuncheng United Accounting Firm Chief technician of Maozhan Construction Co., Ltd
Independent Director Huang, Tien-Chang (Note)	Male	MS in Finance, National Chengchi University	<ul style="list-style-type: none"> Chairperson of Taiwan Business Bank President of the Trust Association of R.O.C. Independent director of Mega Securities Executive independent director of Mega Bank Adjunct professor of the Department of Business Administration, National Changhua University of Education 	Not Applicable
Independent Director Huang, Hsiu-Hui	Female	Ph.D., Department of Law, National Chung-Cheng University Master of Law, Graduate School of Science and Technology, YunTech Master's degree from the Department of Finance, Chaoyang University of Technology	<ul style="list-style-type: none"> Legal consultant for the Taichung City Government Adjunct lecturer on mercantile law, Chaoyang University of Technology Adjunct lecturer on securities exchange law and financial regulations, Asia University Audit committee member of the Taichung City Government Labor Rights Fund Audit Team, and member of the labor dispute case external review committee Member of the Gender Equality and Sexual Harassment Investigation Subcommittee for the Taichung Branch of the Taiwan High Prosecutors Office Chairperson of the Labor Law Advisory Committee, Taichung City Industrial Association 	<ul style="list-style-type: none"> Chief attorney of Yongluke Law Firm Member of the Employment Discrimination Review Committee, Central Taiwan Science Park, National Science Council Member of the Gender Equality and Sexual Harassment Investigation Subcommittee for the Taichung Branch of the Customs Administration, Ministry of Finance

Note: Independent Director Huang, Tien-Chang was discharged on August 18, 2023.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

3.1.8 Operation Status of Board of Directors

The Board of Directors meets at least once every two months on average to review corporate performance, discuss ESG short-, medium- and long-term goals, strategies and performance, and key major events, including economic, environmental and social (human rights) impacts, risks and opportunities. Confirm the responsible unit for follow-up processing through the meeting, and make a follow-up report on the processing status in the next meeting.

The attendance rate of all directors in 2023 was 93%. With the exception of the 20th meeting of the 12th Board of Directors held on August 30, 2023, at least two independent directors attended meetings in person.

◆ Board Meeting Unit: When providing various proposals and report materials to members of the Board of Directors, they will review in advance whether the submitted content is related to stakeholders and should be avoided appropriately, and give counterparties prior reminders.

◆ Chief Corporate Governance Officer:

On August 26, 2021, the Board of Directors of the Company passed a resolution that Tsai, Wan-Chi, the financial officer, would be the senior manager and concurrently the chief corporate governance officer.

On March 17, 2022, the Board of Directors of the Company resolved to add a corporate governance unit under the Board of Directors, the "Board Secretary Office".

The main duties of the Board Secretary Office include the following content:

- I. Handled matters related to the meetings of the Board of Directors and shareholders' meeting according to law.
- II. Assisted the minutes of the Board of Directors and shareholders' meetings.
- III. Assisted Directors in their appointment and continuing education.
- IV. Provided the information required by the Directors to execute their duties.
- V. Assisted Directors to comply with laws and regulations.
- VI. Other matters stipulated in the company's articles of incorporation or contract.

In 2023, the corporate governance unit "Board Secretary Office" performed the business as follows:

- I. Assisted in providing information required by Directors and Independent Directors in carrying out their duties.
- II. Assisted in arranging various training courses for Directors to enhance their professional knowledge.
- III. Assisted in the proceedings of the Board of Directors and shareholders' meetings.
- IV. Handled matters related to the meetings of the Audit Committee, the Board of Directors and the shareholders' meetings:
 1. Seven meetings of the Board of Directors and seven meetings of the Audit Committee were held in 2023, and the meetings were convened and information provided in accordance with the law, and the minutes of the meetings were prepared and completed within 20 days after the meetings.
 2. The shareholders' meeting was held on June 7, 2023. Prior registration by shareholders before the date of the shareholders' meeting, preparation of the meeting notice, meeting handbook and minutes of the meeting were completed in accordance with the law.
- V. Regular and irregular information subscriptions reporting by the Public Information Observation Post System.

Please refer to the 2023 annual report and the official website of the Company for details of the annual training of the chief corporate governance officer. [Corporate governance personnel](#).

A total of 7 meetings were held in 2023, and the board members and attendance status were as follows:

Title	Name	Meeting attendance rate in 2023
Chairperson	Cheng, Ta-Yu	100%
Director	Ma, Pei-Chun	86%
Director	Chen, Qiong-Ling	100%
Director	Tsai, Sung-Po	100%
Director	Yang, Ming-Wang	100%

Title	Name	Meeting attendance rate in 2023
Director	Chin-Te Chang	100%
Director	Lee, Chin-Shen	100%
Director	Chuang-Yuan Lee	57%
Independent Director	Huang, Tien-Chang ^(Note)	100%
Independent Director	Huang, Hsiu-Hui	86%
Independent Director	Chang, Yao-Ren	100%

Note: Independent Director Huang, Tien-Chang was discharged on August 18, 2023.

The average age of Directors is 65 years old, and the analysis table of the number, age and percentage of Directors was as follows:

Age range	Number of people (2022)	Percentage %	Number of people (2023)	Percentage %
40–49 years old	1	9.1	1	10
50–59 years old	3	27.3	3	30
60–69 years old	2	18.2	1	10
70–79 years old	5	45.4	5	50

Note: Independent Director Huang, Tien-Chang was discharged on August 18, 2023.

Director Liability Insurance

Considering the importance of directors, and key staff in exercising rights and fulfilling obligations, liability insurance is purchased and renewed for all directors in order to improve the corporate governance mechanism and effectively reduce the legal and financial risks borne by directors, and the Company. The insured amount, coverage, and premium rates for the Company's directors' liability insurance are reviewed and approved by the Board of Directors every year.

Board Performance Evaluation Mechanism

The Company has established the "Regulations Governing Performance Assessment for the Board" according to the Company's "Corporate Governance Best Practice Principles" to implement corporate governance, enhance the functions of the board of directors of the Company, and establish performance targets to enhance the board of directors' efficiency.

At the end of each year, the members of the board of directors and the board of directors' deliberation unit shall perform internal board performance assessment assignments.

The assessment indicators for the Company's performance evaluation of the board of directors include the following 5 aspects:

- I. Participation in the operation of the Company.
- II. Improvement of the quality of the Board of Directors' decision making.
- III. Composition and structure of the Board of Directors.
- IV. Election and continuing education of directors.
- V. Internal control.

The directors' self-performance assessment items include the following 6 aspects:

- I. Alignment of the goals and missions of the Company.
- II. Awareness of the duties of a director.
- III. Participation in the operation of the Company.
- IV. Management of internal relationship and communication.
- V. The director's professionalism and continuing education.
- VI. Internal control.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

The functional committee performance assessment items include the following 5 aspects:

- I. Participation in the operation of the Company.
- II. Recognition of the functional committee's responsibilities.
- III. Improvement of the decision-making quality of functional committees.
- IV. Functional committee composition and member selection.
- V. Internal control.

The scoring standard is based on the results of each measurement item, scored in a weighted manner, and the performance assessment results are divided into 5 grades: excellent, very good, good, acceptable, and must be improved.

Assessment Results:

- ◆ The Company's 2023 director performance evaluation has been completed, and the evaluation results were submitted to the Board of Directors on February 27, 2024.
- ◆ The Board of Directors' internal performance evaluation results in 2023 showed that each assessment item's average score is 4.8, which is between "4 very good and 5 excellent" and is in line with the standard.
- ◆ The 2023 "Questionnaire of Self-Evaluation of Performance of the Audit Committee," "Questionnaire of Self-Evaluation of Performance of the Remuneration committee," and "Questionnaire of Self-Evaluation of Performance of the Risk Management Committee" were evaluated by the convener and received the score of "excellent," which is in line with the standard.

Performance evaluation of directors' management of economic, environmental and human impacts

Regarding the performance evaluation of directors' management of economic, environmental and human impacts, the Company intends to include the performance evaluation indicators in 2027.

The external performance evaluation of the Board of Directors is expected to be included in the evaluation in 2027.

Continuing Education of the Directors:

The status of the Company's directors' continuing education has been disclosed on the Market Observation Post System. The Company has attached great importance to corporate ESG sustainability. In recent years and has designated 2022 as the first year of Concord ESG. The goal is to actively plan courses related to corporate governance, corporate sustainability, ESG development trends, etc., for directors.



The directors' training status in 2023 is as follows:

The board courses for this year were related to the material topics of this report, namely "integrity management," "operational performance," "corporate governance," "information security," and "inclusive finance."

Title	Name	Organizing Unit	Course Name	Training Hours for the Year
Chairperson	Cheng, Ta-Yu	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	6
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Director	Chin-Te Chang	National Federation of CPA Associations of ROC	Tax issues related to the sale of equity	9
		National Federation of CPA Associations of ROC	Patterns of money laundering and insider trading	
		National Federation of CPA Associations of ROC	Summarization and integration of internal control and internal audit	
Director	Lee, Chin-Shen	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Taiwan Securities Association	Global FinTech and Information Security Risk Development Trends 2023	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Director	Chen, Qiong-Ling	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Taiwan Corporate Governance Association	How does the audit committee interpret and use the audit quality indicators	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Director	Ma, Pei-Chun	Taiwan Academy of Banking and Finance	Corporate Governance - FinTech Series (Issue 14) - Metaverse - Descriptions about Future Finance Integrating Reality and Virtuality	15
		Taiwan Academy of Banking and Finance	Impact posed by Chat GPT to the financial industry, and countermeasures	
		Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	
		Taiwan Securities Association	Global FinTech and Information Security Risk Development Trends 2023	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Title	Name	Organizing Unit	Course Name	Training Hours for the Year
Director	Tsai, Sung-Po	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Taiwan Securities Association	Global FinTech and Information Security Risk Development Trends 2023	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Director	Yang, Ming-Wang	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Taiwan Securities Association	Global FinTech and Information Security Risk Development Trends 2023	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Director	Chuang-Yuan Lee	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Taiwan Securities Association	Global FinTech and Information Security Risk Development Trends 2023	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Independent Director	Chang, Yao-Ren	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Taiwan Securities Association	Global FinTech and Information Security Risk Development Trends 2023	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	
Independent Director	Huang, Hsiu-Hui	Taiwan Securities Association	Fair Dealing Policy and Ethical Corporate Management	9
		Independent Director Association Taiwan	Group's M&A strategy and investment management	
		CHINESE NATIONAL FUTURES ASSOCIATION	Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing	

In 2023, the hours of training for directors were 93 hours, and the average hours of training for directors were 9 hours. The content of the course was analyzed as follows:

Course	Total Hours	The content of the course	Hours	Number of employees participating in continuing education
Corporate governance related	84 hours	1. "Fair Dealing Policy and Ethical Corporate Management" organized by Taiwan Securities Association	3 hours	9 people
		2. "Analysis and Case Studies on Money Laundering Prevention and Countering of Terrorism Financing" held by the Chinese National Futures Association	3 hours	9 people
		3. "Patterns of money laundering and insider trading," "Summarization and integration of internal control and internal audit," and "Tax issues related to the sale of equity" held by the National Federation of CPA Associations of the R.O.C.	9 hours	1 people
		4. "How does the audit committee interpret and use the audit quality indicators" held by Taiwan Corporate Governance Association	3 hours	1 people
		5. "Group's M&A strategy and investment management" hosted by Independent Director Association Taiwan	3 hours	1 people
Courses about Corporate Sustainability	3 hours (Note)	"Securities Industry Transition Strategies of Sustainable Development Promotion Symposium" organized by Taiwan Stock Exchange	3 hours	1 people
Fintech-related courses	6 hours	"Corporate Governance - FinTech Series (Issue 14) - Metaverse - Descriptions about Future Finance Integrating Reality and Virtuality" and "Impact posed by Chat GPT to the financial industry, and countermeasures" held by Taiwan Academy of Banking and Finance	6 hours	1 people
Information Security related courses	3 hours	"Global FinTech and Information Security Risk Development Trends 2023" held by Taiwan Securities Association	3 hours	6 people

Note: This course is not included in the calculation of the training hours for directors.

3.1.9 Remuneration Policy for Directors and Senior Management Staff

The Company's remuneration policies and standards shall be implemented according to the Company's Articles of Incorporation, the relevant remuneration provisions, and the various personnel provisions.

Remuneration policy of Directors (including Independent Directors)

According to provisions of the Articles of Incorporation, the board of directors shall be authorized by the shareholders' meeting to determine the remuneration paid to all directors based on the degree of their participation in the Company's operations and value of contribution and by taking into account the general pay levels in the industry. To clarify the scope of directors' remuneration, including compensation, earnings distribution and professional practice fees (e.g. attendance fee and transportation allowance), etc., the "Regulations Governing Remuneration to Directors" are established, which shall be implemented upon review by the Remuneration Committee and approval by the Board of Directors.

1. Remuneration:

When directors and independent directors perform their duties in the Company, regardless of the Company's operating profit or loss, they are paid a fixed salary based on the usual salary level in the

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

industry and are paid within the scope of their remuneration. Meanwhile, the Company's Remuneration Committee may use the general pay level adopted by peer companies in the same industry as the basis for evaluation, and regularly evaluates the remuneration to individual directors subject to their participation in the Company's operations and the value of their contributions. It shall be approved by the Board of Directors with authorization from the shareholders' meeting.

2. Remuneration to directors:

According to the Articles of Incorporation of the Company, if the Company makes a profit for the year, the Board of Directors may resolve to allocate no more than 5% of the profit as the remuneration to directors. The directors' remuneration distribution proposal shall be reported to a shareholders' meeting. However, if the Company has accumulated losses, the Company shall first reserve an amount to offset the losses, and then appropriate the directors' remuneration on a pro rata basis referred to in the preceding paragraph.

Further, the Remuneration Committee may take into account the overall performance of the Board of Directors, the Company's operating performance, the Company's future operations and risk appetite, and distribute the directors' remuneration based on the degree of involvement of individual directors in the Company's operations and the value of their contributions. Independent directors do not participate in the distribution of earnings.

3. Professional practice fees:

Attendance fees at board meetings, shareholders' meetings, and functional committees' meetings shall be payable based on the number of meetings attended.

The transportation allowance may be verified based on the actual transportation expenses when performing the Company's duties, or the business trip taken in response to the Company's operational needs shall be handled in accordance with the Company's business trip management regulations.

In order to fulfill corporate governance and make the remuneration to directors and supervisors of subsidiaries and invested companies transparent, rational and institutionalized, the Company has established the "Regulations Governing the Remuneration to Directors and Supervisors of Subsidiaries and Invested Companies." The subsidiaries shall, based on the scale of their operations and within the authorized limits, formulate the regulations governing the remuneration to directors and supervisors of the subsidiaries, and matters related to the payment of remuneration accordingly.

Remuneration Policy and Review Process for Senior Management Staff

The Company has established the "Regulations Governing the Appraisal on Salary and Remuneration" and the "Grade Salary Range Table." For the salary and remuneration, reasonable remuneration shall be assessed in reference to the individual's personal education background and work experience, the market, and the salary level adopted by peer companies in the same industry, and raise and promotion shall be determined based on annual performance and contributions to ensure that their pay levels are competitive in the market and to retain talents.

The standards for the remuneration of the Company's president and vice president are stated as follows:

1. Salary:

The Company shall determine the salary with reference to the individual's education, working experience, background, the salary levels in the market or industry, and the Company's salary standards while regularly review the individual's work performance and contribution and also adjust it by taking into consideration the general pay levels in the industry.

2. Performance bonus:

To boost profit, the Company has established the Annual Bonus Allocation Rules and different bonus plans, allowing its employees to participate in the bonus distribution based on annual business performance and individual assessment results and contributions, etc. to share the company's operating results.

3. Employee remuneration:

According to the Company's Articles of Incorporation, if the Company makes a profit in the year, the Company shall allocate 1%~3% of the profit as employees' remuneration, which shall be distributed in stock or cash per the resolution of the Board of Directors. The recipients include the employees of subsidiaries meeting certain conditions and participate in the distribution of employee remuneration in accordance with the Company's regulations governing distribution of remuneration to employees and subject to the time invested in each position, the responsibilities assumed, the performance contribution, and the performance achievement status.

4. Employee shareholding trust:

In order to take care of the retirement life of all managers and colleagues, and to share the Company's operating results, the employee shareholding trust is created, and the Company and managers or colleagues shall contribute the subsidies to it.

Linkage to operating performance and future risk exposure:

For the corporate sustainable operation and development, each department of the Company reviews and sets operational development strategies and financial performance targets every year, and includes the promotion and implementation of ESG (including ethical management, operational performance, corporate governance) as key evaluation indicators. The Company's "Regulations Governing Performance Appraisal" governs the individual performance appraisal on managers. In order to establish a mechanism for the reasonableness of the association between rewards and various performance contributions and future risks, the Company sets evaluation standards on achievement status, legal compliance, internal control, risk management, leadership, management, and other core competence, and distribute bonuses subject to the Company's profitability and individual performance, in accordance with the Regulations Governing Annual Performance Appraisal Bonus and Performance Bonus. Meanwhile, In order to implement risk control, the "risk retention fund" has been established to regulate the related trading units' managers to strengthen the link between managerial officers' remuneration and future operating risks.

The Company has established a Remuneration Committee according to the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" to improve the remuneration system for the Company's directors and managers. The Remuneration Committee members shall evaluate the remuneration policy and system for the Company's directors and managers professionally and objectively and make recommendations to the board of directors for reference.

The Remuneration Committee shall, ex officio, formulate and regularly review the annual and long-term performance goals and remuneration policies, systems, standards, and structures for the Company's directors and managers. The goal is to regularly evaluate the performance objectives achieved by the Company's directors and managers, reference the industry's payment standards, job performance, internal salary and remuneration levels, achievement of the Company's short-and long-term business goals, and the Company's financial status to assess the reasonableness of the association between individual performance and the Company's operating performance and future risks.

In order to implement the Company's corporate culture for ethical management, fulfill the responsibility for management and supervision of various businesses and systems, avoid major unethical conduct, and ensure the Company's sound and sustainable operation, the Company has established the accountability system implementation guidelines for major issues in accordance with the "Regulations Governing Responsible Persons and Associated Persons of Securities Firms" and "Corporate Governance Best Practice Principles for Securities Firms" in June 2023. Meanwhile, with respect to the major issues, such as information security protection, fair dealing and legal compliance, the Company set up the dedicated department to review the managers' competence regularly.

3.1.10 Succession Planning for Board Members and Key Managers

Adoption of candidate nomination system for the election of directors

The candidate nomination system is adopted for the Company's election of directors and Article 20 of the "Code of Corporate Governance" provides that diversity shall be considered for the board of directors. Directors who also serve as company managers shall not exceed one-third of the number of directors and must abide by the requirements for concurrent positions. The directors must formulate appropriate diversification policies based on their operations, business models, and development needs. These include but are not limited to two major aspects: basic conditions and values [gender, age, nationality, culture, etc.] as well as professional knowledge and skills [professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, industry experience, etc.]. The Company has established the "Board of Directors Performance Assessment Method," conducts the board of directors performance assessment every year to confirm the board of directors' performance effectiveness, and evaluates the directors' performances to provide a reference for the directors' nomination for re-appointment.

Board Members and Continuing Education

The Company currently has 11 directors (including 3 independent directors), and independent directors account for 27% of all directors. They have expertise and backgrounds in finance, accounting, law, and industry. All independent directors conform to the restriction on serving for no more than 3 terms. The board of directors members are diverse with different professional experiences or backgrounds (they have extensive expertise in finance, industry, law, accounting, finance, risk management, etc., and working experience in securities, banking, and other industries), and have the necessary skills to perform their duties. In the future, the Company will continue to strengthen the diversity of the board of directors' structure.

The Company regularly offers various special lectures, seminars, symposiums, or refresher courses to directors covering corporate governance topics related to finance, risk management, business, legal

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

affairs, accounting, or internal control systems. At least 6 hours of refresher courses are arranged annually to enhance the board members' professional knowledge and acquire new knowledge. In 2023, the hours of training for directors were 93 hours, and the average hours of training for directors were 9 hours.

Succession planning for key managers

Regarding the succession planning for the board of directors, the Company has maintained long-term contacts with domestic colleges and universities such as National Chengchi University, National Yang Ming Chiao Tung University, National Cheng Kung University, National Taipei University, and Ming Chuan University to introduce suitable directors and independent directors. Meanwhile, the Company also seeks professional talent externally in preparation for director succession planning. According to law, independent directors must have work experience in business, legal affairs, finance, accounting, or corporate business. The Company references the "Independent Director Talent Database" provided by Securities and Futures Institute to search for candidates who can serve as independent directors of the Company.

The Company's vision is to become a long-term growth partner for customers. "Talent" is the most critical asset of the company. The main management leadership must have teamwork, ambition, professionalism, enthusiasm, the pursuit of excellence, and the ability to grasp future trends. To cultivate the Company's succession and reserve talents of various management levels, we pass on the business beliefs and conduct regular e-learning courses for legal compliance, integrity management, information security, financial consumer protection, etc., so supervisors can learn and grow at all times. We also organize various executive training programs for different levels, such as courses or seminars on corporate governance, financial product planning and marketing, legal compliance, anti-money laundering and countering the financing of terrorism, data analysis for changes in the financial environment, FinTech application, and regulatory sandbox so that management can grasp the development trend of the financial market. The Company has also established a key talent training system for the important positions of each department and combined Company development with the career development of various management levels. In addition to designing training plans according to duties, we also provide "job experience training" via position substitution, important meeting participation, project promotion, or work rotation to pass on practical experience. The goal is to train talent promptly through the comprehensive succession training system to ensure smooth operations.

Professionalism is a critical weapon in the financial industry, and the Company has listed "professional learning" as the key annual performance evaluation indicator. In addition to the internal and external education and training, the Company has also established "Employee On-the-job Learning Degree Management Key Points" to encourage supervisors or colleagues to actively obtain higher education. The goal is to combine theory with practice and inspire colleagues to develop the habit of self-enrichment and self-learning so that they may adapt to the Company's future development trends and lay the foundation for the capabilities required at each position.

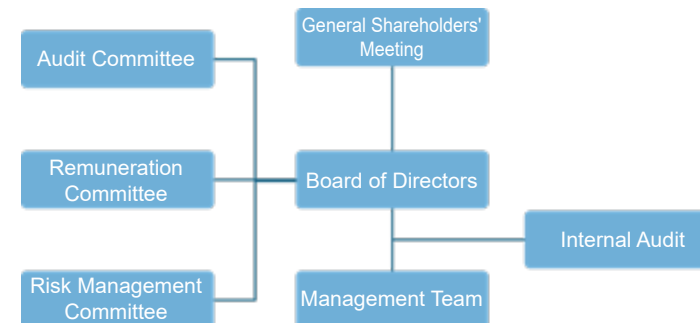
3.1.11 Protection of shareholders' rights and fair treatment of shareholders

- (1) To encourage directors and members of functional committees to attend the shareholders' meeting to protect the rights and interests of shareholders, a total of 7 directors attended the 2023 shareholders' meeting, with an attendance rate of 63.6%. All independent directors (including the convener of the Audit Committee) attended the meeting, with an attendance rate of 100%. The attendance list was disclosed in the minutes of the shareholders' meeting.
- (2) In order to facilitate investors' understanding and to improve the quality of information disclosure, the Company recorded details of shareholders' questions and the Company's responses in the minutes of the 2023 shareholders' meeting. [Shareholders' meeting information](#).
- (3) In order to enable investors to obtain understanding of the contents of the shareholders' meeting in multiple ways, the Company will upload the audio and video recording of the entire shareholders' meeting to its official website after the meeting. [2023 Annual Shareholders' Meeting of Concord Securities](#).

3.1.12 Duties and Operation Status of Functional Committees

In order to play the valid functions of the Board of Directors and improve the decision-making quality of the Board of Directors, the Audit Committee, Remuneration Committee, Sustainable Development Committee and Risk Management Committee were set up under the Board of Directors according to their powers and functions. These committees are responsible for discussing important proposals and critical issues such as economy, environment, society (human rights), and risks. In order to make

the committees' decisions and recommendations forward-looking, objective and comprehensive, the functional committees are composed of Independent Directors, or Independent Directors participated in the functional committees. The goal is to effectively implement the mechanism of independent supervision and checks and balances to ensure that all resolutions and actions of the Board of Directors, and all proposals are submitted to the Board of Directors for reporting and discussion. If there is any stakeholder involving the director himself/herself or the legal person represented by him/her, he/she shall withdraw. Some proposals are also reported and discussed at the shareholders' meeting, which is in the best interests of stakeholders.



■ Audit Committee

The Company established an Audit Committee in June 2015, which consists of all independent directors. Its goal is to improve the supervisory responsibility and strengthen the management mechanism of the board of directors.

The duties and authorities of this committee are as follows:

1. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of effectiveness of the internal control system.
3. Establishment of and modification to the procedures of major financial and business activities such as acquisition or disposal of assets, performance of transactions of derivative products, lending of funds to third parties, granting of endorsements and provision of guarantees in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving interests pertaining to directors themselves.
5. Major transactions of assets or derivative products.
6. Major lending of funds, endorsement or provision of guarantee.
7. Offering, issuance, or private placement of securities of the nature of equity.
8. Appointment, dismissal or remuneration of certified public accountant.
9. Appointment and dismissal of chief financial, accounting or internal audit officers.
10. Annual financial report and semi-annual financial report.
11. Establishment of the investor protection policy and evaluation of how the policy is being implemented.
12. Any other material matter so required by the Company or the Competent Authority.

Operation Status of Audit Committee:

Title	Name	Attendance rate in 2021 (9 meetings)	Attendance rate in 2022 (7 meetings)	Attendance rate in 2023 (7 meetings)
Independent Director	Chang, Yao-Ren (Convener)	100%	100%	100%
Independent Director	Huang, Hsiu-Hui	100%	100%	100%
Independent Director	Huang, Tien-Chang (Note)	100%	100%	100%

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

■ Remuneration Committee

The Company established a Remuneration Committee in August 2011. The Committee shall exercise the care of a good administrator in faithfully performing the official powers listed below and submit its recommendations for deliberation by the board of directors:

- I. Regularly review the Remuneration Committee Organizational Charter and propose recommendations for amendments.
- II. Formulate and regularly review the policies, systems, standards, and structure for the performance evaluation as well as the remuneration of the directors and managers.
- III. Regularly evaluate and determine the remuneration for the directors and managers.

The members of the Remuneration Committee are as follows:

Title	Name	Remark
Independent Director	Huang, Hsiu-Hui (Convener)	
Independent Director	Chang, Yao-Ren	
Independent Director	Huang, Tien-Chang	Discharged on August 18, 2023
Member	Liu, Chih-Chung	Newly appointed on November 16, 2023

Operation status:

Number of meetings held in each year	Average meeting attendance rate
Held 8 meetings in 2021	100%
Held 9 meetings in 2022	100%
Held 7 meetings in 2023	100%

■ Risk Management Committee

The Company established a Risk Management Committee in April 2003 to comply with the risk management policies of the competent authority and the board of directors; fully grasp the Company's short-, medium-, and long-term business risks and supervise their implementation; and strengthen its operating performance and competitive advantage.

The duties and authorities of this committee are as follows:

1. Formulate risk management policies and structures, and delegate powers and responsibilities to relevant units.
2. Formulate risk assessment standards.
3. Manage the overall risk limit of the Company and the risk limit of each unit.
4. Formulate the list of commodity types for each business department and allocate new business items.
5. Set the upper cap of the undertaking amount, loss amount, and risk-related values for the product types of each business department.
6. Review underwriting cases where the amounts undertaken by the underwriting business unit have exceeded the authority of the Underwriting Review Committee.
7. Review the margin purchase and short sale system and quota.
8. Review the various product operating standards revised by the risk management unit based on the suggestions from business units, audit units, and related units.
9. Review the risk management matters proposed by each department and other matters related to the risk management planning and management review and improvement.
10. Matters that should be reported to the committee for review according to other regulations.

The members of the Risk Management Committee are as follows:

Title	Name	Remark
Independent Director	Chang, Yao-Ren (Convener)	
Independent Director	Huang, Hsiu-Hui	
Independent Director	Huang, Tien-Chang	Discharged on August 18, 2023
Director	Lee, Chin-Shen	
Chairperson	Cheng, Ta-Yu	

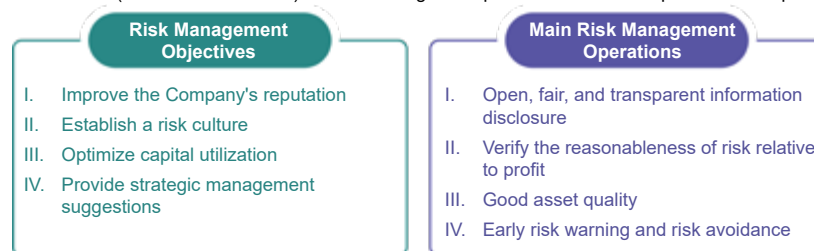
Operation Status of Risk Management Committee:

Number of meetings held in each year	Average meeting attendance rate
Held 6 meetings in 2021	100%
Held 5 meetings in 2022	100%
Held 5 meetings in 2023	98.334%

3.2 Risk management

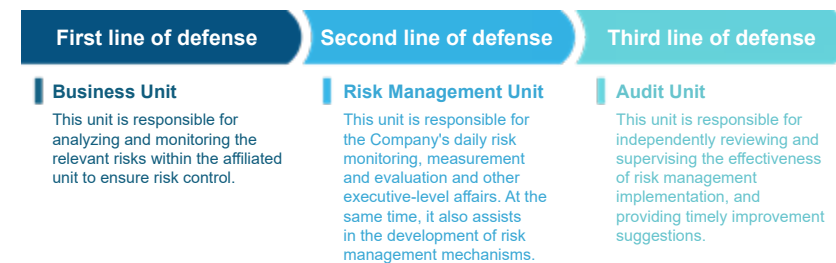
3.2.1 Risk Management Policy

The Company's risk management policy complies with the Company's operating policy to prevent any possible losses within the acceptable risk exposure range, increase shareholders' wealth under the premise of balancing risks and rewards, and achieve the capital allocation optimization principle. The risk management policy is the highest risk management guideline for the Company. The scope of application covers the Company (including international securities business branches) and its subsidiaries (and sub-subsidiaries). All risk management provisions shall be stipulated in this policy.



Three lines of defense for internal control

Risk management is the common duties of the whole Company. A deliberate and complete risk defense line has been established to prudently manage various operational risks through the three lines of defense for internal control and various risk management procedures.



Risk Management Organizational Structure and Execution

■ Board of Directors

The Company's board of directors is the highest unit of the enterprise risk management. With the aim of legal compliance and promoting and implementing the company's overall risk management, it shall clearly understand the risks faced by securities firms in operations, ensures the effectiveness of risk management, and take the ultimate responsibility for risk management. The risk management unit reports to the Board of Directors on the implementation of the Company's risk management at least once a quarter (at least four times a year). In fiscal 2023, a total of 7 reports have been made to the Board of Directors.

■ Risk Management Committee

Under the board of directors, the Committee is composed of board members, with functions of assisting the board of directors in planning and supervising related risk management matters.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

■ Risk Management Office

The Company's Risk Management Office is an independent department under the board of directors, and is mainly responsible for the company's daily risk monitoring, measurement, evaluation and other implementation-level affairs, and determining whether the risks of the business units are within the company authorized limits. The appointment and discharge of the supervisors of the risk management implementation unit shall be approved by the board of directors. The unit is responsible for measuring, monitoring, and evaluating the securities firms' daily risk status.

■ Finance Dept.

The Company's Finance Department is the fund allocation unit independent of each business department. It is responsible for monitoring the use of funds of each business unit, and setting up the emergency procedures for fund management to response the demand for funds when an emergency occurs in the market.

■ Auditing Office

The Auditing Office of the company is an independent department under the board of directors. With job functions of auditing the business planning and implementation, it is responsible for audit matters with respect to finance, business operations, and the implementation status of internal control and legal compliance of the company and its subsidiaries to ensure the company conducting effective operational risk management.

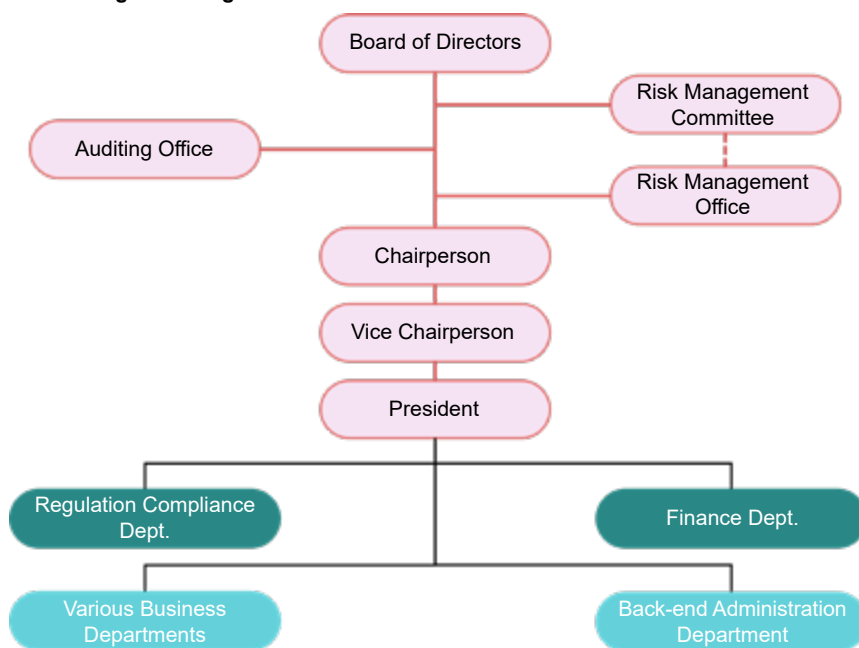
■ Regulation Compliance Dept.

The Regulation Compliance Department is responsible for the company's legal compliance and the legality review on transaction contracts and documents. To facilitate the control of such legal risk, the Regulation Compliance Department inspects internal regulations at all times, so that the Company can respond in a timely manner to the impact on the company's business as a result of changes in the regulations by the competent authority. In addition, it prepares the comprehensive review procedures to ensure the thoroughness and compliance of all the company's transactions.

■ Business Units

The supervisors of the business units are responsible for the first-line risk management. The business unit is responsible for analyzing and monitoring the relevant risks in the unit to ensure that the risk control mechanism and procedures can be effectively implemented.

Risk Management Organization Chart



3.2.2 Risk Management Mechanism

■ Market risk

To avert the risks caused by market price changes, the Risk Management Office has established a risk control system and control mechanism to measure and make sure that the market risks are controlled within the limit on a daily basis. The methods for measuring market risk include nominal principal, fair market value, price sensitivity, and value at risk. Based on the characteristics of different products, the company sets risk limits and stop loss limits for positions in order to effectively control market risk.

■ Credit Risk

To ensure the completeness of credit risk management, credit limits are set and managed at different levels for counterparties with different credit levels. With a hierarchical management system, different transaction limits are given to counterparties and issuers with different credit ratings. The credit ratings of counterparties and issuers are regularly reviewed to control credit risks.

■ Liquidity risk

The Company's liquidity risk is divided into market liquidity risk and funding liquidity risk. The Company has established liquidity risk management methods in each business unit's financial product management standards to reduce market liquidity risks. The Company has an independent funding unit designed to reduce capital liquidity risks. This unit comprehensively considers the net cash flow and the schedules of each department's capital needs for capital management and formulates capital liquidity risk management measures.

■ Operational risk

Each unit has formulated product guidelines or manuals of operations for each business to regulate front-, middle-, and back-office transactions and operating procedures to reduce possible operational risks during the processes of transactions and operations. In addition, the Auditing Office is responsible for audit matters with respect to finance, business operations and the implementation status of internal control and legal compliance to ensure the company conducting effective operational risk management. The Company has also established guidelines for reporting operational risk incidents. All direct or indirect losses caused by internal processes, personnel, systems, or external events must be reported. The goal is to assess the effectiveness of existing control measures and propose improvement measures to reduce the possibility of the recurrence of operational risks.

■ Legal risk

To ensure the validity and feasibility of transaction or legal procedures, all the contracts or other legal documents between the Company and the transaction parties shall be reviewed by the legal personnel or external legal counsel designated by the legal affairs office before the contracts are signed and other legal documents are presented.

■ Model risk

To maintain the exercise of the model and the risk management of financial products and reduce model risks caused by the use of inappropriate models, parameters or evaluation assumptions, the Company has established a model risk management mechanism with standard procedures for model development, verification, storage, and modification to ensure the rationality and accuracy of the model.

■ Climate risk

In order to deal with the risks and opportunities brought by climate change on operations, the Company has established the "Environmental Sustainability Team" to promote the implementation and management of climate actions. The "Responsible Investment Team" is responsible for investment in green finance and sustainable development, and gradually establishes climate-related risk management and opportunity management processes.

3.2.3 Operational Crisis Management Mechanism

The Company has formulated the "Management Crisis Response Measures" to prevent events that could affect the Company's finances and businesses or have a significant impact on shareholders' rights and securities prices and cause the Company to suffer huge defaults or financial difficulties, become unable to deliver its obligations, and lead to out-of-order delivery in the securities market and damage the stability of the securities market.

In case of a Company crisis, the Company's chairperson shall serve as the convener, the president shall serve as the deputy convener, and the relevant personnel shall be convened for the "Business Crisis Response Team" to grasp the status of the crisis within the shortest time. The goal is to formulate countermeasures and hold extempore board of directors meetings depending on the severity of the crisis to explain the cause, response measures, and handling status of the case to all directors and discuss emergency countermeasures.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Business Crisis Response Team

Members	Duties
Convener	The chairperson of the Board shall serve as the convener to manage the overall businesses of the team and convene the team members to discuss emergency response measures.
Deputy Convener	The president shall serve as the deputy convener to assist with the overall businesses of the team and coordinate its operations.
Fund Team	Led by the head of the Finance Department and responsible for developing various plans for fundraising to ensure smooth financial scheduling.
Risk Control Team	Led by the head of the Risk Management Office and responsible for judging the risks to the Company when a business crisis occurs and compiling the Company's overall risk information to grasp the asset-liability gap status.
Business Team	Led by the business unit and responsible for handling huge customer default or bond transaction cancellation-related matters.
Public Relations Team	Led by the external spokesperson and responsible for coordinating the external speech channels, maintaining smooth communication channels, and maintaining good relations with the competent authorities, news media, investors, etc.
Logistics Team	Responsible for the administrative reporting operations, information, water and electricity, venues, equipment, personnel scheduling, and other related logistical supply operations required by the teams.

3.2.4 Implement integrity management and establish a risk assessment mechanism

The Company has formulated the "Reporting Guidelines for Reporting Operational Risk Events", if an employee is found to commit unethical acts (such as embezzlement of company funds, manipulation of account/fictitious transaction, bribery/kickback, insider transactions in non-company accounts, etc.), such acts shall be reported to the Risk Management Office and the president, and a review shall be conducted on the related operating procedures and personnel management with the improvement plan being developed to strengthen the prevention of such unethical acts.



3.3 Legal compliance

3.3.1 Operation Status of Legal Compliance

The Company's Regulation Compliance Department handles legal compliance, anti-money laundering, and legal affairs with domestic laws and regulations to formulate, update, and review various internal provisions. It is also in charge of providing legal compliance advice when handling new business and new services, supervising all units to regularly conduct self-assessment of legal compliance risks, promoting and coordinating policies for anti-money laundering and countering terrorism financing, reviewing contracts, handling legal cases, ensuring all operations and transactions comply with laws and regulations, strengthening legal compliance awareness of each unit, and establishing a corporate legal compliance culture. To inspire the management personnel of various departments to pay close attention to the concept of the rule of law and actively conform to legal compliance-related matters, the Company has added legal compliance evaluation opinions into the annual personal performance appraisal as part of the annual performance evaluation for each department.

The Company has established the "Guidelines for the Content and Procedures of Assessment of Legal Compliance" and the "Regulations for Risk Management and Assessment Procedures of Legal Compliance." The "compliance risk self-assessment (CRA)" is held annually. Each unit and branch company reviews each item of compliance listed in the compliance risk assessment table one by one and conducts a risk assessment to complete the annual compliance risk self-assessment.

In order to uphold the Company's corporate culture of integrity management and fulfill the management and supervision responsibilities within each business and system, the annual plan for the Regulation Compliance Department is organized based on material compliance issues. This initiative implements the legal compliance awareness within each department and assigns responsibilities for supervising business compliance to each department head, aiming to prevent penalties from competent authorities.

3.3.2 Anti-Money Laundering and Countering the Financing of Terrorism

The Company's Regulation Compliance Dept. was s a special Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) unit, which is responsible for coordinating and supervising the Company's AML/CFT operations. And the "Guidelines Governing Anti-Money Laundering and Countering Terrorism Financing" of the Company is established in accordance with the "Anti-money Laundering Act", "Anti-Financing of Terrorism Act", "Financial Institutions' Anti-money Laundering Measures", "Implementation Measures for the Internal Control and Audit System of the Securities and Futures Industry and Other Financial Institutions Designated by the Financial Supervisory Commission to Anti-Money Laundering and Countering the Financing of Terrorism" and the "Measures For Financial Institutions to Notify the Property or Property Interests and Locations of Designated Sanctioned Objects." On December 25, 2014, the Company's "Guidelines Governing Anti-Money Laundering and Countering Terrorism Financing" were passed by the board of directors and implemented. In addition to establishing anti-money laundering and countering the financing of terrorism-related policies and norms, the Company has also developed an anti-money laundering management system to assist in the inspection of money laundering in a systematic manner, and actively cooperate with the competent authorities in various anti-money laundering and countering the financing of terrorism policies to deter the occurrence of illegal activities. In addition, each business unit and branch of the Company have set up an anti-money laundering supervisor responsible for monitoring and supervising the implementation of anti-money laundering and countering terrorism financing within their respective units. For the anti-money laundering and countering the financing of terrorism, organizational norms have been designed, and regular inspections of practical operations and financial reforms are proposed to achieve valid the goal of anti-money laundering and countering the financing of terrorism.

In order to strengthen the risk awareness of all employees in anti-money laundering and countering the financing of terrorism, the Company not only arranges for employees to conduct legal training courses or various seminars, but also organizes annual anti-money laundering and countering the financing of terrorism for senior executives and full staff. The training materials will incorporate topics related to anti-fraud and anti-corruption. The course aims to urge all staff to continue learning, ensuring the effective implementation of various operations and establishing a top-down culture of anti-money laundering and countering the financing of terrorism.

3.3.3 Insider Trading Prevention Management

In order to establish good internal major information processing and disclosure mechanism of the Company, avoid improper information disclosure, and ensure the consistency and accuracy of the Company's information released to the outside world, the "Procedures for Preventing Insider Trading Management" was formulated on March 25, 2011. At the same time, the Company organized insider trading prevention courses for directors and employees at least once a year. The course content includes insider trading regulations, constituent elements, penalties, case descriptions, etc., The course briefings and audio-visual files were placed on the Company's internal corporate learning network. In 2023, the education publicity was carried out to all colleagues and the Board of Directors.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

3.3.4 Legal compliance with relevant education and training

The Company continues to strengthen the internal concept of the rule of law through publicity, education and training, so as to achieve the purpose of implementing laws and regulations. The Regulation Compliance Department irregularly schedule legal information and peer penalty cases to employees through internal websites and internal emails. It will also put relevant information on the Company's internal website for all colleagues to check and read; internal education and training also arranges different themed courses for colleagues to convey information, and conducts tests at the end of the courses to check the degree of understanding of the courses; cases of violations, laws and regulations' updating, and precautions that should be strengthened are scheduled to department heads, and conduct education and training and audit education and training for managers and financial supervisors to carry out thematic publicity. For directors, special courses such as whistle-blowing system, key events release, insider trading, insider equity changes, etc. are also conducted. In 2023, a total of 4 internal control education and training sessions were held. Among them, the legal compliance course includes cases of sanctions, publicity of laws and regulations, and compliance requirements of various operations. A number of special courses were held. The statistics of the number of participants and course hours were as follows:

In 2023, a number of special courses were held. The statistics of the number of participants and course hours were as follows:

Course Name	Number of trainees	Percentage	Training Time/H
Financial Consumer Protection Act and Fair Treatment for Customers (internal training)	637	98.61	1,911
Fair Dealing Policy and Ethical Corporate Management (internal training)	36	90.00	93
Anti-money laundering and countering terrorism financing - including anti-fraud and anti-corruption (internal training)	1,178	99.49	1,776
Anti-money Laundering and Countering the Financing of Terrorism (external training)	104	100	1,248
Personal Data Protection Law (internal training)	644	99.70	644
CRS & FATCA System and Practice Advocacy (internal training)	440	99.77	440
Whistleblowing System, Major Information Issue, Insider Trading, Insider Equity Change (internal training)	641	99.23	807.66



3.4 Ethics and integrity

Concord Securities hopes to develop an honest management corporate culture and construct an honest and ethical enterprise by strengthening the efforts of legal compliance, anti-corruption, anti-money laundering, and other systems. Every employee is expected to uphold the values of integrity, commitment, and innovation as the highest criteria for self-examination. The Company has developed an internal reporting mechanism to prevent corruption further. If any violations of ethics or codes of conduct are found, all employees can report to the relevant units via email, communication mailbox, or written mail delivery. A whistle-blower mailbox has been established on the official website to provide a channel for external complaints and reports.

3.4.1 Corporate Governance Best Practice Principles

The Company's "Corporate Governance Best Practice Principles" was approved by the Board of Directors, which includes:

- I. Protect shareholders' rights and interests.
- II. Strengthen the functions of the Board of Directors.
- III. Give full play to the function of the Audit Committee.
- IV. Respect the rights and interests of investors and stakeholders.
- V. Improve information transparency, etc., so as to implement corporate governance and improve the operating system.

3.4.2 Integrity Management Code and Integrity Management Operating Procedures and Guidelines for Conduct

This Company engages in commercial activities under the principles of fairness, honesty, faithfulness, and transparency. To fully implement the ethical management policy and prevent unethical conduct, the board of directors approved the amendments to the "Integrity Management Code" and the "Integrity Management Operating Procedures and Guidelines for Conduct" on March 12, 2020. They specifically regulate the matters that Company personnel must conform to during business engagements to establish an honest management corporate culture and improve the Company's development. To improve integrity management control, the Chief Corporate Governance Officer shall serve as the special unit responsible for coordinating the integrity management performance by each unit. Each unit shall arrange sufficient resources and qualified personnel to cooperate with each other, implement the integrity management policy and prevention plan for the responsible matters, and a special unit shall report to the board of directors once a year.

3.4.3 Code of Ethical Conduct (Board Secretary)

The Company's board of directors approved the formulation of the "Code of Ethical Conduct" in 2018 to ensure that the actions of the Company's directors and managers conform to the ethical standards and help the stakeholders better understand the Company's ethical standards. The code stipulates regulations regarding conflicts of interest, selfish interests, duty of confidentiality, fair trading, protection and proper use of company assets, legal compliance, etc., for compliance by the Company's directors and managers.

3.4.4 Incidents Violating Legal Compliance

In 2023, there were 2 violation incidents, resulting in Concord Securities being fined a total amount of NT\$2.16 million. One of them was a material violation incident.

1. Date of occurrence: March 2, 2023
 2. Non-compliance: Concord Securities violated the relevant provisions of corporate governance and failed to implement the internal control system, which affected its securities business operations and breached security-related regulations.
 3. Amount of fine: NT\$ 1.44 million
- ※ Definition of Key Major Events:
1. Important strategic issues and key events of the Company (including economic, environmental, and social (human rights) impacts, risks, and opportunities).
 2. Mainly disciplinary actions, including warning or above, imposed to the Company by the competent authority and publicly disclosed on the MOPS.
 3. Other major issues designated by the competent authority or included in the board resolution.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

4. No major complaints were received in either [the Group's whistle-blower mailbox](#) or the internal employee whistle-blower mailbox. (Major refers to conduct that damages, or is likely to cause damages to, the company's rights and interests due to crime, fraud, or violations, including but not limited to criminal, civil, administrative, securities, and other related laws and regulations, integrity, and code of ethic)

3.4.5 Anti-corruption, Education and Training

1. Board of Directors-Anti-Corruption, Education and Training

Course Name	Training Person (Times)	Percentage (%)	Training Time (H)
Corporate Governance and Money Laundering Control - December	9	90	24
Corporate Governance - Fair Treatment for Customers and Financial Consumer Protection - June	10	91	27
Corporate Governance - Global FinTech and Information Security Risk Development Trends 2023 - September	6	60	18
Cyber security education and training for the first half of 2023 - June	6	54	7.5
2023 Legal Promulgation-Major Information Issue/Insider Trading - August	10	100	6.84

Note: The percentage is calculated by dividing the number of participants by the number of seats on the board.

2. Employees-Anti-Corruption, Education and Training

The 2023 anti-money laundering and combating terrorism training courses included definitions of anti-fraud and anti-corruption issues, important considerations, promotional videos, and website information in the teaching materials. The aim was to ensure effective implementation of all operations and foster integrity management and determination to combat corruption.

Course Name	Training Person/Time	Percentage/%	Training Time/H
Anti-money laundering and countering terrorism financing - including anti-fraud and anti-corruption (internal training)	1,178	99.49	1,776

3. All suppliers signed the "Integrity Management Terms"

In 2023, all of the Company's suppliers signed the "Integrity Management Terms" and the anti-corruption promotion of suppliers reached 100%.

3.4.6 Major Incident Notification and Emergency Response Mechanism

The Company formulated the "Major Incident Notification and Emergency Response Method" in June 2019 to standardize the notification and emergency response system in case of major incidents. The chairperson of the Company serves as the convener, and the president serves as the deputy convener and business executive supervisor to handle various major emergencies.

3.4.7 Establishing a Whistleblowing System

The Company has established a complete whistleblower protection system to provide a channel for whistleblowers to report any violations of integrity management principles or codes of ethical conduct to promote sound operations. The Company has also established a whistleblower protection system. The Auditing Office, the Regulation Compliance Department, and the Strategy Operation Department of this company are the accepting units responsible for reporting cases, and the independent Auditing

Office with duties and authority is designated as the unit responsible for accepting and investigating whistleblower cases. The Company amended its "whistleblowing system" on August 26, 2022, in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies", "Integrity Management Code for TWSE/TPEX-Listed Companies" and the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets." The goal is to implement the corporate governance mechanism, effectively improve supervision and management efficiency, keep the identity and content of the whistleblower confidential, and pledge to protect the whistleblower from improper retaliation for whistleblowing.

The Company has published the relevant information on its official website and intranet and established a dedicated whistle-blower mailbox and a dedicated reporting line for whistleblower to report. The exclusive whistle-blower mailbox and dedicated reporting line referred to in the preceding paragraph shall be managed by the head of the Auditing Office, and agents shall be set up.

Reporting hotline: 02-8787-1888 ext. 690.

[Whistle-blower mailbox](#)

In 2023, the Company accepted 0 external whistleblower cases and 2 employee whistleblower cases. The investigation results were made into investigation reports and submitted to senior managers to report on the handling, follow-up improvement, and countermeasures. The cases did not involve dishonest behavior.



3.4.8 Employee Code of Conduct Statement

The Company requires all employees to sign the "Employee Code of Conduct Statement," which stipulates the code of conduct for employees, including morality and ethics, personal behavior and discipline, business conduct, intellectual property rights, Internet use, and email use management. The employees must abide by various laws and regulations when performing business duties.

3.4.9 Communication Channels

The Company has established a communication platform in its website's "Stakeholders" area, which discloses the contact window and communication information. Dedicated personnel is designated to reply, provide convenient communication channels, and appropriately respond to stakeholders' issues of concern.

Investors can also inquire about relevant service matters with the designated front-line colleagues through Concord Securities' official website, customer service mailboxes, customer service hotlines, or the physical operation bases of each subsidiary.

The Company's website has an "investor" area, which provides investors with contact windows and related information, and regularly reports various financial and business information in the "Market Observation Post System" to maintain the transparency of information disclosure and protect investors' rights and interests.

Spokesperson	President Chiu, Jung-Cheng Tel.: (02) 8787-1888 #192
Acting Spokesperson	Assistant Vice President Shou, Ning-Ning Tel.: (02) 8787-1888 #873

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Shareholder Service Institution	Shareholder Service Dept., Grand Fortune Securities Co., Ltd. Tel.: (02) 2371-1658 Address: 6F, No. 6, Sec. 1, Zhongxiao West Road, Zhongzheng District, Taipei City, Taiwan
Customer service hotline	Free customer service hotline (local calls only): 0800-886-016 Service email: service@6016.com
Employee service window	Name: Ms. Huang Title: Assistant Vice President Tel.: (02) 8787-5488
Supplier service hotline	Name: Ms. Zou Title: Manager Tel.: (02) 8787-1888 #515

■ Employees

The Company offers good knowledge training courses to its employees and provides a diversified dialogue channel, including investment in employee benefits, complete career planning, and understanding of various puzzles it faces in its work, from which a positive attitude can be established and the career development of its employees can be improved. A "whistle-blower mailbox" is set up within the Company to provide employee service channels.

■ Suppliers

Based on the principle of ethical management, the Company conducts all business activities with suppliers through bidding and bargaining procedures, and through an open, transparent and fair competition environment, we seek cooperation among qualified manufacturers to provide excellent products and services.

3.4.10 Audit Operation Status

The Company's Auditing Office is subordinate to the board of directors. A chief auditor is responsible for the Company's internal audit operations and is a full-time internal audit supervisor. At present, the Audit Office has several auditors, one of whom is an international Certified Internal Auditor. The chief auditor shall mobilize the auditors of each head office and branch to handle the internal audit work of the Company and each branch depending on the business needs. The goal is to assist the board of directors and managers in checking and reviewing the deficiencies of the internal control system, measure operation effectiveness and efficiency, provide suggestions for improvement promptly to ensure the continuous and effective internal control system implementation, and serve as a basis for reviewing and revising the internal control system.

The appointment of the Company's internal auditors complies with the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets" The auditors also continue to study and participate in internal auditing seminars organized by the competent authority to improve their auditing quality and capacity.

The Company's Auditing Office delivers the audit report and follow-up report to the independent directors for review before the end of the month following the completion of the audit report according to Article 16 of the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets."

The Company's Auditing Office holds regular annual meetings for the directors and internal auditors to report the internal control system defect review and improvement status, penalties imposed by the competent authority to the directors and make records. Regular education and training courses are also held for the auditors of headquarters, branches, and subsidiaries (main course contents include "How to Audit ESG Risks and Submit an Effective Audit Report," "Key Points of Amendments to Futures-Related Regulations and Case Study of Violation," and "Review and Promotion of Internal Audit") to improve audit quality, capacity, and practical work implementation.

The Company's Auditing Office formulates the audit plans for the following year at the end of each year. It handles the various operation audits for the Company according to the law. The Company's auditors handle the internal audit work, which is divided into two categories: regular and irregular. The auditors carry out regular audits according to the Company's annual audit plan; the auditors conduct irregular audits according to instructions or business needs.

During the period from 2021 to 2023, the audits conducted by the auditors according to the Company's instructions or business needs were as follows:

Items \ Year	2021	2022	2023
	Number of Audits	Number of Audits	Number of Audits
Internal Audits	27 times	30 times	30 times
Project Audits	18 times	18 times	10 times
Follow-up Improvement Audits (monthly)	12 times	12 times	12 times

The Company's annual audit plans implemented by auditors for the period from 2021 to 2023 were as follows:

Items \ Year	2021	2022	2023
	Number of Audits	Number of Audits	Number of Audits
Daily Audits	244 times	246 times	158 times
Weekly Audits	52 times	51 times	51 times
Monthly Audits	12 times	12 times	12 times
Quarterly Audits	4 times	4 times	4 times
Semi-annual Audits	2 times	2 times	2 times
Annual Audits	1 time	1 time	1 time

Defects and Improvement Status

Penalties and Improvement Measures Ordered by the Competent Authority in 2023

※ The following defects have been improved as ordered by the competent authority. The addition (revision) of relevant operating provisions (procedures), legal compliance promotion, and education and training were completed in 2023.

Case-1

■ Major defects (listed according to the date of the letter from the competent authority)

From August 17 to 19, 2022, Taiwan Stock Exchange Corporation conducted an audit of the Company and found the following violations against the Personal Data Protection Act and failure to implement internal control systems within the Company. As a result, corrective actions were imposed, along with a fine of NT\$720,000.

- (I) There was a personal data leakage due to an attack by hackers; however, the Company failed to report the incident to the Securities and Futures Industry Information Security Reporting System within 30 minutes upon awareness of the incident.
- (II) The Company did not perform source code testing on the self-developed and self-maintained C++ system, C++ App, and Java system.
- (III) The anti-virus software of the C++ system failed to set up the schedule for scanning, and also failed to scan virus in the computer system and data storage media regularly.
- (IV) The Company failed to set the C++ system user password as changing once per three months. Besides, the password only consisted of 5 digits without applying the fine-quality password settings.
- (V) The C++ system failed to perform accounting check on a regular basis.

(Letter Jin-Guan-Zheng-Quan-Fa-Zi No. 1120380532 dated February 13, 2023)

(Letter Jin-Guan-Zheng-Quan-Zi No. 11203805321 dated February 13, 2023)

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

■ Improvement Status

Below is a summary of the improvements that have been made:

1. The Company's IT Dept. re-planned and promoted the reporting process, and promoted the same to colleagues at the monthly meeting held on September 8, 2022.
2. The Coo APP has ceased to serve external parties since August 2022 and was removed from the Google Store.
3. The Coo system has anti-virus records and anti-virus software scanning schedule set to complete the improvement.
4. The Coo system has set the expiration date of passwords as 90 days, and the minimum password length shall consist of 8 digits, including lowercase, uppercase and number, in order to complete the improvement.
5. The Coo system was improved upon account counting, review and approval in H2 of 2022.

Case-2

■ Major defects (listed according to the date of the letter from the competent authority)

The FSC Examinations Bureau conducted a general business examination of the Company from December 6, 2021 to December 24, 2021 and found the following deficiencies:

- (I) The Company's procedures for handling cases involving the reporting of misconduct of the Company's responsible persons are in violation of the relevant corporate governance regulations.
 - (II) Non-members of the Audit Committee or the Remuneration Committee routinely attend meetings and do not leave the meetings during discussions and voting, in violation of corporate governance-related regulations.
 - (III) In the absence of clear internal regulations on the advancement of bail for personnel involved in litigation, the Company uses the Company's funds to advance bail on behalf of the Chairman.
 - (IV) In handling high-risk stock control operations, the Company failed to apply for relaxation of single stock financing percentage and quota for customers for several times in the short term. Failure to disclose customer information in the open application form in accordance with internal regulations; failure to implement account control in the audit of customer trustee trading quota.
- II. The Company violated the relevant provisions of corporate governance and failed to implement the internal control system, and certified the violation of Article 2, Item 2 of the Regulations Governing Securities Firms and other relevant provisions, and was imposed with the following penalties:
- (I) To the Company: The Company was warned and fined NT\$1.44 million and ordered to appoint a non-attesting CPA to issue a project review report on the implementation of the improved internal control system. Until the deficiencies recognized by the FSC are improved, no additional reinvestment in subsidiaries is allowed.
 - (II) Individual: The Company was ordered to reduce the monthly salary of the Chairman, President and Head of Regulation Compliance by 20% for 6 months, 6 months and 3 months, respectively; and fined the person responsible for the act NT\$1.2 million.

(Letter Jin-Guan-Zheng-Quan-Fa-Zi No. 1120380875 dated March 2, 2023)

(Letter Jin-Guan-Zheng-Quan-Fa-Zi No. 11203808751 dated March 2, 2023)

■ Improvement Status

1. These improvements have been completed.
2. Engage PwC Taiwan to conduct the ad-hoc review and issue the internal control ad-hoc review report related to the specific scope on August 30, 2023.

Internal Auditors

The Company has one internal auditor possessing international internal auditor certification.

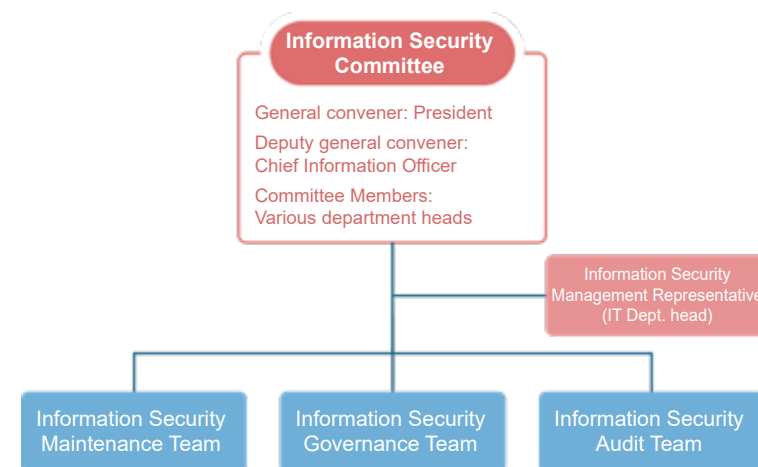
3.5 Information security

3.5.1 Information Security Policy and System

The Company has established an "Information Security Policy," which shall be subject to approval by the Board of Directors. Annual assessments are conducted to reflect the latest developments in laws and regulations, technology, and business, in order to ensure the effectiveness of information security practices.

Information Security Organization and Dedicated Unit

To implement various information security management operations, the Company established the "Information Security Section" under the IT Department in 2018, transforming the task force into a regular unit. This initiative aimed to strengthen the security control over the maintenance and operations of the information system and ensure the stability of business operations, thereby providing customers with a trading environment of information safety. With the increasing popularity of digital finance in recent years, personal information security, information security protection, and threat of intelligence and information have become the focus of attention within the financial industry. In order to improve the three-line defense of internal control and segregation of duties, the 20th meeting of the 12th board of directors approved the establishment of the "Information Security Department" as the Company's dedicated unit for information security in October 2023. An Information Security Officer and two information security personnel were appointed to be responsible for planning, monitoring, and executing information security management operations. They are also responsible for supervising and ensuring the effectiveness of the implementation of various information security operations within the organization.



Meanwhile, the Company has established the "Information Security Committee." The President serves as the general convener and the Chief Information Officer as the deputy convener. The Committee members consist of the Company's President and department heads, who are responsible for reviewing the objectives and implementation scope of the information security management system. The IT Dept. head acts as the information security management representative, responsible for supervising the implementation of the information security management system and coordinating the operations of various teams.

In addition to formulating information security policies and concrete management regulations and enforcement rules, the "Information Security Committee" and each taskforce will continue to adjust and improve relevant regulations and enforcement rules in response to the development of information security threats, needs for business changes or requirements of the competent authorities. The Company assesses the information security risk regularly each year and continues to improve it, in order to achieve safe, convenient, and uninterrupted financial services.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
- 3. Sustainable Governance**
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

3.5.2 International Information Security Management Standards and Related Certifications

The Company began to implement the Information Security Management System (ISMS) as of 2011. In August of the same year, it passed the "ISO 27001:2013 Information Security Management System" certification and continuously optimized the organizational information security management through the "Plan-Do-Check-Act" (PDCA) cycle. It also passed the certification of an unbiased third party (SGS Taiwan) every year to keep the certificate invalid. The current certificate is valid until October 31, 2025.



3.5.3 Concrete Management Programs for Information Security

Monitoring and Protection of Information security

The Company has installed network firewalls, anti-virus software, email filtering mechanisms, cyber security threat detection and management mechanisms, intrusion detection and defense mechanisms, application firewalls, DDoS traffic cleaning, and privilege management systems to build multi-layered security protection from the inside out.

Information Security Detection

To verify the effectiveness of information security operation, maintenance, and protection, the Company regularly conducts various information security testing to identify potential information security threats or weaknesses, and enhance protection for network and information system security by implementing control measures in terms of technology and management.

Detection items	Detection frequency	Description
Vulnerability Scanning	Once every six months	Use automated scanning tools for examining the operating system and system environment to find hidden loopholes or weaknesses.
Social engineering exercise	Once every six months	Within the scope of internal security monitoring, send exercise emails to all personnel of the group; test, promote, and strengthen information security learning.
Distributed denial-of-service (DDoS) attack drills	At least once a year	Examination of the Company's emergency response capability in case of DDOS
Electronic trading system backup drills	At least once a year	Verify if the Company's electronic trading system can be successfully switched to the backup facilities in the event of a malfunction.
Information Security Diagnosis	Once every two years	A third-party information security company was commissioned to conduct the information security diagnosis for the Group, in order to identify internal vulnerabilities.

Information security training and promotion

The Company provides all employees with at least 3 hours of information security education, training, and assessment every year to enhance their overall information security awareness and shape a corporate culture that values information security. In 2023, a total of three educational trainings were held, with a total of 1,323 participants and 1,971 training hours.

Course Name	Teaching Method	Total Hours	Number of Participants
Education and Training of IoTs Managers	Online course	1 hour	27
Cyber security education and training for the first half of 2023	Online course	1.5 hours	646
Cyber security education and training for the second half of 2023	Online course	1.5 hours	650

Investment status in funds for information security

In terms of funds for information security, in view of the increasing threat of cyberattacks recently, the Company has continuously invested resources in strengthening various protections, replacing and upgrading equipment with security concerns or outdated equipment. The 2023 budget for information security (including licensing and service expenses for software and hardware related to information security, core operating systems and equipment, and personnel training expenses) accounted for more than 50% of the total IT budget of department.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Investment in funds for information security in 2023		
Information budget		NT\$59,496,700
Information Security related budget	Licensing and service expenses for software and hardware related to information security	NT\$7,000,000
	Replacement and upgrade of core operating systems and equipment	NT\$25,960,000
	Staff training expenses	NT\$116,700
	Total	NT\$33,076,700
Ratio of information security budget to information budget cost		55.59%
Number of information security personnel		3 people

Professional qualification ability of information security personnel

The Company has 3 information security personnel collectively holding 8 information security certificates.

3.5.4 Major information security incidents

In August 2023, the Company received an external notification suggesting that customer data might have been sold on the dark web. Given that the field contains the contact number, the Company assessed that if the information is used by any person maliciously, customers are very likely to receive scam call. Therefore, the Company has sent the notification letters to the 12 data subjects reminding them to pay attention to any scam. Additionally, the Company implemented the following countermeasures and improvements.

Major information security incidents in 2023	
Number of information leakage incidents	1
Ratio of information leakage incidents related to personal information	100%
Number of customers affected by information leakage incidents	12

Countermeasures to incidents and improvement actions

- Report the case to the competent authority and the police.
- A third-party information security company was commissioned to conduct the information security diagnosis.
- A CPA firm has been commissioned to conduct a special audit on the Company's personal data protection internal control system.
- Continue to improve the information security protection measures and strengthen the security of systems and databases, in order to protect customers' personal data from infringement.
- Establish the regular monitoring mechanism to scan the vulnerabilities in the system and strengthen security settings, and continue to update related technologies to deal with changeable information security threats.

3.5.5 Personal Data Management System Control

Concord Securities is committed to data protection for its customers. To fulfill this personal data protection control responsibility, Concord Securities established the "Personal Data Management System Control Review Committee" in 2015 to ensure the continuous personal data management system operations as well as the applicability, suitability, and validity of personal data.

Concord Securities has announced personal data security-related information in our official website's "Privacy Protection Statement" and "Information Security Explanation" areas. Our goal is to ensure

personal information security for customers, continue to improve various operating procedures and measures, and conduct legal compliance self-assessment, internal audits, and regular company-wide education and training to protect the customers' data. Concord Securities uses customer information prudently and will continue to strengthen personnel education and training to improve the quality of our services.

- Click here to access "[Privacy Protection Statement](#)" area.
- Click here to access "[Information Security Explanation](#)" area.

3.5.6 Electronic Transaction Security

The Company is committed to promoting electronic transactions, and the proportion of electronic transactions for the Company has grown each year. The Company uses Taiwan-CA Inc.'s CA certification for order verification. In addition to checking account numbers and passwords, the system also uses certificates issued by an impartial third party as the second checkpoint and internationally recognized SSL technology for transmission encryption when customers conduct online transactions to increase the security level of online transactions.

Electronic transaction password security:

- Initial passwords must be updated by customers before continuing to operate the trading account.
- Passwords will be locked after three incorrect entries.
- Certificate passwords have a one-month validity period from the date of generation and will automatically be invalidated upon expiration.
- Require customers to set high-quality passwords (including uppercase letters, lowercase letters, and numbers) to enhance the complexity of passwords.



CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

3. Sustainable
Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix

4. Sustainable Finance

4.1 Sustainable responsible
investment

4.2 Financial innovation and
services

4.3 Inclusive finance

4.4 Customer relationship
management



4. Sustainable Finance

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix



- ◆ Awarded first place in the "Annual Warrant Issuer Awards" in 2023.
- ◆ Awarded the "Best Smart Financial Management Award" in the Non-Financial Holding category of the "2023 Excellence Securities Ratings."
- ◆ The self-developed proprietary "Risk Control Device and Method" obtained an invention patent (invention No. I751586) from the Intellectual Property Office, Ministry of Economic Affairs in 2023.
- ◆ The Company introduced the "ISO 27001 Information Security Management System" in 2010 and continued to pass the verification every year.
- ◆ Won "26th Outstanding Fund Golden Diamond Award" - Capital Management won KBI Global Energy Transition Fund - Global Developed Market Fund Three-Year Award.
- ◆ Awarded the "Innovative Platform Award" of 1st Want Want China Times Financial Service Evaluation Grand Awards - "Good Fun Investment."
- ◆ Won the Award for Securities Firm Transactions in Pioneer Stock Board of Emerging Stock Market in the First Half of 2023 - the 5th place of the Ever-Victory Award.
- ◆ Obtained the "Level-A Accessible Website" label mark from the National Communications Commission (NCC).



4.1 Sustainable and responsible investment

Concord Securities has signed the "Stewardship Principles for Institutional Investors Compliance Declaration" in 2018 in response to the international trend of sustainable finance and to fulfill our responsibility for sustainability. As an institutional investor, we understand that our investment decisions have a profound impact on social development, and we also believe that paying attention to stewardship is the key to maintaining investment quality. Therefore, to exert the professionalism and influence as an institutional investor and fulfill the responsibilities as an asset owner, Concord Securities pledges to take the environmental, social (human rights), corporate governance, and other ESG sustainable development factors into consideration during the investment process. The goal is to enhance long-term value for the Company, customers, and shareholders while fulfilling the responsibilities.

In order to actively introduce the concept of responsible investment, the responsible investment is promoted by the "Responsible Investment Team" of the Sustainable Development Committee, and its members include the heads of important investment decisions, fund control, capital market, risk control and other related departments of the Company and the responsible persons of the project. According to the risk management structure of sustainable management, when using the Company's own funds, the standard investment unit can be in line with the United Nations Principles for Responsible Investment (PRI), and the environment, society (human rights) and governance (ESG) aspects will be included in the investment decision-making evaluations.

4.1.1 Responsible Investment Implementation Status

In the face of global climate change risks, when handling self operated, underwriting, and reinvestment businesses, self owned funds should be used to invest in the three major aspects of ESG sustainable investment: environmental, social (human rights), and governance (hereinafter referred to as "ESG"), and other issues should be considered. Based on "the Principles for Responsible Investment" (PRI) and the "Code of Stewardship for Institutional Investors" proposed by UN Global Compact and the United Nations' Environment Programme's Finance Initiative (UNEP FI), this key point is formulated as a guideline for promoting and executing responsible investments, and responding to United Nations Sustainable Development Goals, SDGs. In 2020, the "Measures for the Management of Responsible Investment" was adopted by the board of directors for investment units to follow up.

According to the "Regulations for the Administration of Responsible Investment" of Concord Securities, ESG issues have been integrated into the investment analysis and decision-making process. Industries with sustainable development prospects or enterprises actively supporting sustainable, such as alternative energy, environmental pollution control, or environmental product technology research and development, and other environmental protection industries, as well as public welfare industries providing quality education or enterprises engaged in the promotion of environmental and social sustainability, are selected. Conversely, controversial or sensitive industries are excluded. At the same time, we consider and apply screening indicators of professional institutions, including the Taiwan Corporate Credit Risk Index (TCRI), corporate governance evaluation system, Bloomberg ESG evaluation, etc. Additionally, we support the investment in stocks included in indices and ETFs that are conducive to the development of ESG issues, actively exercising ownership to integrate ESG issues into ownership management. In addition, the ESG-related information disclosed by the invested institutions is regularly reviewed, and the expectations on ESG issues are actively communicated to the investees. In addition to considering environmental, social (human rights), and corporate governance (ESG) risk factors, we also obtain relevant information on the corporate environment (including GHG) through the Market Observation Post System (MOPS), in order to take the information on electricity consumption and GHG emissions of investees and enterprises for which we offer counseling into account for investment decision-making assessment. The investments based on the preceding investment promotion principles shall be made according to practical operation feasibility, and management shall be implemented after the investment.

The Company adheres to the "Stewardship Principles for Institutional Investors" issued by the Taiwan Stock Exchange and the "New Version of Corporate Governance Blueprint" issued by the Financial Supervisory Commission, aiming to "improve the number of signatories to the Stewardship Principles for Institutional Investors and the quality of stewardship information disclosure". The Company signed the new version of the Stewardship Principles for Institutional Investors by the end of 2021, and disclosed the implementation status of annual stewardship on the "Stewardship for Institutional Investors" area on the official website, expressing the Company's active goal of implementing responsible investment; The Company continues to pay attention to the relevant news, financial information, industrial performance, business strategy, environmental protection, social responsibility, corporate governance and other issues of the invested company. For more information on stewardship for institutional investors, please refer to the "[Stewardship for Institutional Investors](#)" area on the Company's official website.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

4.1.2 Encourage customers to make a net zero plan and accelerate the sustainable transformation

Concord Underwriting implements of the "Circular Economy," which is one of the government's "5+2" industrial innovation policies. We also actively engage with corporate customers in sustainable industries. In counseling customers on GHG emissions and carbon reduction progress, we evaluate whether the applicant company has properly expressed its promotion of sustainable development in its prospectus in accordance with the "Guidelines for Matters to be Recorded in Prospectus for Applying for Securities to be Traded on the TPEX of Securities Firms." Additionally, we evaluate whether the self-evaluation report of the applicant company's corporate governance evaluation is appropriate in expressing its implementation status of corporate governance. If it is a company with high carbon emissions, relevant peer company cases will be provided for consideration, encouraging them to propose measures to improve greenhouse gas emissions. In addition, as for the responsible investment, ESG risk and performance of the invested company are considered in the investment process, and the sustainable development of the invested company is promoted by continuously paying attention to the invested company, attending the shareholders' meeting, exercising voting rights and constructive dialogue. Through such engagement, customers are encouraged to develop net zero programs and accelerate sustainable transformation. The risk control of investment positions follows the risk management mechanism developed by the Company.

4.1.3 Performance on Responsible Investment

Sustainable Product Investment

Concord Securities attaches great importance to the physical and transformational risks faced by invested companies in the face of global climate change. In addition to abiding by the climate risk disclosure and guidelines for responsible investment, we not only apply the negative exclusion method but also invest in a more proactive manner, such as sustainability thematic investing and impact investing, when assessing sustainable investments. The responsible investing is targeted for medium and long-term investment, mainly covering carbon neutrality perspectives, energy policies, industrial decarbonization, and other ESG trends, as well as green bonds. In 2023, there was a significant increase in impact investing. The proportion of sustainable product investments that comply with the climate change initiative increased. The scale of investment increased from NT\$ 638 million in 2022 to NT\$1,568 million in 2023, with the ratio to total investment increasing from 13.11% to 31.36%.

Investment type	2022		
	Investment scale (a)	Total investment (b)	Ratio of total investment (%) (a/b)*100
ESG sustainable industry (Proprietary Trading)	438,970	2,000,000	21.95%
ESG sustainable industry (Fixed Income)	200,000	2,872,440	6.96%
Total	638,970	4,872,440	13.11%

Unit: NT\$'000

Investment type	2023		
	Investment scale (a)	Total investment (b)	Ratio of total investment (%) (a/b)*100
ESG sustainable industry (Proprietary Trading)	1,368,152	2,000,000	68.40%
ESG sustainable industry (Fixed Income)	200,000	2,958,348	6.76%
Total	1,568,152	5,000,000	31.36%

Unit: NT\$'000

Investment management and tracking

(1) By paying attention to the operation status of the investee, we analyze and assess the relevant risks and opportunities of the investee, as well as understand their sustainable development strategies, including but not limited to the sustainability reports, the Ethical Corporate Management Best Practice Principles, annual reports, and government information. In addition, the Company examines and focuses on the material ESG-related issues of the investees. The Company conducts dialogues and interactions with investee companies by visiting them (in person or by telephone) and participating in their investor conference, symposiums, shareholders' meetings, etc. to gain an understanding of the investee companies' future industry overview and operational outlook. We also seize every opportunity to communicate ESG-related policy issues with the investee companies. We aim to proactively grasp the ESG actions of the investee companies and raise their focus on relevant issues, ensuring that the policies of the investee companies align with the concept of Concord Securities.

(2) Engagement results - statistics on the methods and frequency of engagement with all investees In 2023, there were a total of 228 investees, with 7 in-person visits, 12 shareholders' meetings, 26 physical investor conferences, 41 symposiums, 55 interviews at broker forums, 132 online investor conferences, and 3 conference calls.

Items	2022 (Note 1)	2023
Private visit	--	7
Shareholders' Meeting	4	12
Online/physical investor conferences	43	26
Forum	5	41
Securities Firms Forum	--	55
Online investor conferences	--	132
Conference Call	1	3
Total	53	276

Note 1: The sample for the statistical data is the relevant interaction of 34 companies, including investee companies in 2022 and companies included in the ESG ETFs.

(3) Participation in the shareholders' meeting of the investee in 2023

- Any occurrence of any material conflict of interest: None.
- Reasons for voting in favor or against material proposals, as well as abstaining: There were proposals where abstaining was necessary due to involvement in governance disputes that could potentially impair the company's sound corporate governance.
- Electronic voting: 253 companies.

4.1.4 ESG products

ESG is an important element of today's business, highlighting the impact of enterprises on the environment, society (human rights) and governance. With the increasing concern for the environment, more and more enterprises begin to pay attention to environmental problems and take measures to reduce the impact on the environment. In addition, in terms of labor conditions, human rights and fair trade, enterprises should also seriously consider their own responsibilities, and promote enterprises to assume environmental, social (human rights) and management responsibilities by focusing on ESG related issues, to create a more green, just and sustainable society.

Concord Securities attaches great importance to ESG-related issues, as can be seen from the data as of the end of December 2023. The market value of Concord Securities' ESG warrants reached NT\$19.61 million, accounting for 49.25% of the total outstanding market value of Concord Securities' warrants. A total of 142 ESG target warrants were issued, accounting for 64.84% of Concord Securities' total listed warrants. There were a total of 72 warrants whose targets meet ESG standards, and Concord Securities' targets accounted for 44.17% of the ESG targets in the whole market, demonstrating the importance and contribution of Concord Securities to ESG.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

The end of December 2022	Warrant market	Issuance volume	Issuance volume of target companies
Whole-market issuance of ESG warrants	NT\$24,500 million	15,863	189
Concord Securities issuance of ESG warrants	NT\$68.47 million	547	91
Market share of Concord Securities' ESG warrants	2.79%	3.45%	48.15%

The end of December 2023	Warrant market	Issuance volume	Issuance volume of target companies
Whole-market issuance of ESG warrants	NT\$42,120 million	20,316	163
Concord Securities issuance of ESG warrants	NT\$19.61 million	142	72
Market share of Concord Securities' ESG warrants	0.47%	0.70%	44.17%

Moreover, with ESG in vogue nowadays, more and more investors are taking into account whether a company maintains the concept of sustainable business operations. This trend has led to the emergence of investment targets within ESG ETFs. Currently, there are 13 ESG-themed ETFs in the market, and Concord Securities serves the Participating Broker (PB) for 10 of these products, accounting for 77% of total related products in the market. These products includes the popular Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF, Capital ICE ESG 20+ Year BBB US Corporate ETF, etc.

Sustainable development of bonds and underwriting



Underwriting performance

There were a total of 3 cases related to green energy, circular economy and environmental protection among the new counseling cases organized or co-organized by Concord Securities in 2023. Concord Securities, in implementing guidance to customers on TWSE/TPEX listing and accepting the financing of an issuing company, followed TWSE/TPEX listing review criteria and relevant evaluation and audit procedures prescribed by the competent authority, carried out due diligence operations that clients should not apply delivery, and assisted the applicant company in strengthening information disclosure in compliance with laws and regulations through the audit and counseling process.

“ESG Innovation and Circular Economy Forum” of Concord Securities

At the 2023 ESG Next Generation Industry Forum hosted by Concord Securities, President Chiu, Jung-Chen emphasized in his speech that the Company not only actively promotes ESG sustainability goals, including green finance, social responsibility, and stewardship governance, but also values the implementation of

sustainable development and the fulfillment of social responsibility with equal importance. At this Forum, PackAge+, Semisils Applied Materials, Taipei Exchange, Taipei Exchange, and Taiwan Regional Revitalization Foundation were invited to participate and share ideas such as driving supply chain revolution through circular economy, silicon circular economy ecology of semi-conductor, and ESG sustainability for local revitalization, aiming at seizing green business opportunities.

Green underwriting statistics

Accumulated statistics of cases related to green energy, circular economy and environmental protection in the current year	2022		2023	
	Number of Cases	Underwriting amount/ thousands of NT\$	Number of Cases	Underwriting amount/ thousands of NT\$
Organize/Co-organize counseling on new cases (Infinite, Yi Chun, Revivegen)	3	0	3	0
Participate in IPO and SPO cases as a principal (associate) underwriter	5	91,927	5	262,880

Note: Infinite is still in the counselling process and has not yet been listed on the emerging stock market. Yi Chun and Revivegen are currently emerging-stock-market-listed companies, but have yet to make an official filing. None of the above three companies' shares have been underwritten, so the underwritten amount is 0.

Concord Securities assists the green industry to hold the lecture of "ESG Innovation and Circular Economy Forum"

Year	Number of Companies	Sessions	Number of Participants	Venue
2023	3 companies (PackAge+, Semisils Applied Materials, and Yi Chun Green Technology)	1	40 people	Hyatt Hotels
2022	3 companies (Yi Chun Green Technology, Taiwan Steel Union, and Infinite Resource)	1	83 persons	Le Méridien Taipei

Bond Performance

Unit: NT\$'000

Year	Type	Bond value	Bonds in NTD Investment position	Ratio to investment in bonds in NTD (%)
2022	Green bond	200,000	600,000	13%
2023	Green bond	200,000	2,000,000	10%

Investment in sustainable development bonds (as of 2023)

Type	Bond code	Name of issuer	Investment amount (NT\$)
Green bond	B618DC	Taiwan Semiconductor Manufacturing Co., Ltd.	NT\$100,000,000
Green bond	B903YJ	Taiwan Power Co., Ltd.	NT\$200,000,000

In 2023, the Company invested in the green bonds issued by TSMC (bond abbreviation: P11 TSMC 6C; code no.: B618DC) and Taipower (bond abbreviation: P11 Taipower 5B; code no.: B903YJ), totaling NT\$200 million. All of these bonds have been accredited by TPEX as green bonds.

4.1.5 Environment and climate change, promoting sustainable energy resources

Promote the KBI Global Water Fund

Concord Capital Management has continued to promote the KBI Global Water Fund to invest in international companies involved in the water resources industry (wastewater treatment, water quality testing, infrastructure, filtration, engineering, etc.) in response to the challenge of climate change and under the active promotion

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

of global governments, in order to avoid the world from falling into a severe water shortage crisis. The main investment targets are companies' stocks and stock-related securities (involving water resources) listed or traded on globally recognized exchanges. Concord Capital Management has continued to promote the KBI Alternative Energy Solutions Fund to alleviate the increasing impacts of traditional energy sources such as oil and gas, nuclear power, and thermal power on the global environment. The fund mainly invests in alternative energy (solar energy, wind power, biomass energy, etc.), electric vehicles, public utilities using alternative energy, improving energy efficiency, energy-saving, etc. Concord Capital Management has been promoting the ecological series of funds for nearly 15 years and is committed to promoting socially responsible investment.

ESG-related Products and their Proportions

Items \ Year	2022	2023	Difference
KBI Ecological Series Fund AUM	NT\$1,130.5 million	NT\$1,156.85 million	NT\$26.35 million
Overall Fund Inventory AUM	NT\$1,130.5 million	NT\$1,157.79 million	NT\$27.29 million
Proportion of KBI Ecological Series Fund	100%	99.91%	-0.09%

4.1.6 Implementation of inclusive finance and sustainable insurance

Concord Insurance Agent Co., Ltd. (hereafter "Concord Insurance Agent") has exerted the spirit of micro-insurance by establishing a micro-insurance safety protection network to fill the gaps in social insurance or social assistance mechanisms. The goal is to enable disadvantaged groups or those with special identities to enjoy basic insurance protection and continue to promote micro-insurance and small amount whole life insurance, such as China Life/Universal Small Amount Whole Life Insurance.

■ Life insurance

Strengthen the primary sales force for retirement planning products: Traditional insurance policies primarily consist of various interest-sensitive life insurance products, complemented by traditional life insurance or annuity products. These offerings aim to address customers' requirements for secure capital allocation and financial planning. By accumulating compound interest over time and incorporating retirement planning products, they ensure a stable cash flow in old age. Surviving family protection and asset inheritance planning: Designs with high death benefit multiples are offered, aiming to provide protection for surviving family members and facilitate asset inheritance planning.

■ Property insurance

To promote green environmental protection, we offer sustainable insurance products, such as green energy property insurance products (insurance for electronic equipment for solar photovoltaic industry and comprehensive insurance for electronic equipment), and directors, supervisors, and key officer liability insurance (with optional coverage expansion for defense costs arising from pollution and shareholder pollution litigation riders). Additionally, our residential fire insurance products offer an optional "residential green energy upgrade clause." This clause covers the repair or rebuild of the insured property using green building materials and equipment, or provides cash compensation for repair or reconstruction with green materials, without deducting depreciation. While assisting in risk identification and assessment, we support the development of green environmental protection and maximize the influence of insurance on earth-friendly environment. We assist enterprises in fulfilling their social responsibilities. For example, our public accident liability insurance (for events) provides liability insurance for activities (road running, exhibition, beach cleanup, etc.) organized by enterprises, providing protection to the general public. Our product liability insurance (for food safety) can not only transfer the liability risks arising from the products supplied by the company but also protect the rights and interests of consumers.

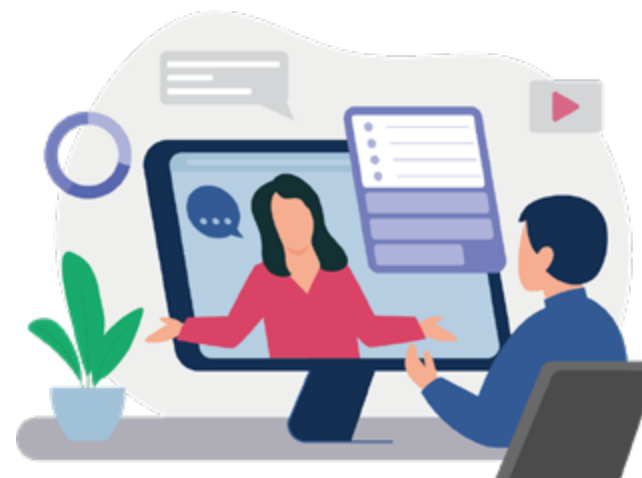
Insurance Items	2023	Number of Cases
Traditional Life Insurance		91
Green Energy Insurance	Electronic Equipment Comprehensive Insurance	2
	Directors, Supervisors, and Key Officer Liability Insurance	4
Social Responsibility Insurance	Public Accident Liability Insurance (for events)	18
	Product Liability Insurance (for food safety)	5

- ※ Electronic equipment comprehensive insurance covers such green energy sustainability related areas as solar PV, uninterruptible power supply system, and backup system.
- ※ Green energy building materials and equipment refer to building materials equipment certified with green building materials labels, environmental protection labels, and energy-saving labels by government agencies, or products for which manufacturers have applied for accreditation with environmental protection labels.

4.1.7 Internationally Aligned Corporate Governance Information Security Standards

Concord Insurance Agent established Information Security Management System (ISMS) and Personal Information Management System (PIMS) and completed the verification procedures, including pre-evaluation, document examination, and on-site audit, of British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (hereinafter referred to as "BSI") ISO/IEC 27001:2013 Information Security Management System and BS 10012:2017 Personal Information Management System, international validation bodies in 2021. With regard to the internet threats and risk changes brought about by the financial environment, it has regularly reviewed and confirmed the suitability of relevant norms and measures, and conducted social engineering drills, information security and personal data protection education and training within the Company; The company effectively implements information security management system and personal information management, continuously values information security and safeguards customer information security.

Explanation of violations of information security in the past three years	2021	2022	2023
Number of major information security incidents	0	0	0
Number of incidents violating customer privacy	0	0	0
Number of customers affected by information leakage	0	0	0
Penalty amount for information security incidents	0	0	0
Complaints concerning information security disputes	0	0	0



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

4.2 Financial innovation and services

Concord Securities has always been committed to promoting inclusive financial policies. In addition to launching the "Thousand Dollar Share Deposit", it has once again created a regular investment platform "Good Fun Investment" in 2022, which is different from depository. Based on market trends and customer needs, it provides more convenient digital financial services. The pain points of small fund investors, busy people, and long-term investors have all been addressed in "Good Fun Investment". Flexible deduction dates and amounts, as well as regular and intelligent investment frequencies, can effectively eliminate panic caused by human psychological factors. Its market competitiveness lies in the design concept and inspiration developed for non-profit purposes, which first addresses the pain points of investors. The product features are summarized to distinguish it from its peers, aiming to enable small fund, young and busy people to invest in more flexible ways, in order to eliminate panic and greed, and achieve the function of mechanized investment. It can also avoid losing valuable investment opportunities due to being busy and forgetting to place an order, so that investors can make a lot of money from a small amount of money and become more sensible about investing, and move towards the road of wealth freedom, in order to achieve the goal of inclusive finance and integrate with the international community.

4.2.1 Innovative service

FinTech innovation has become a key topic in the financial industry. Concord Securities has invested vast human resources to develop digital financial services and use innovative technology to help provide financial services to all levels of society. Our development strategies include:

- Participate in the AI FinTech Alliance to cultivate future talent.
- Incorporate FinTech to continue to develop digital and intelligent investment services.
- Pioneered the one-click "King Con" application to bring a professional ordering interface to customers.
- To practice inclusive finance, the Company launched the "Thousand Dollar Share Deposit" and "Good Fun Investment" applications for small fund investors, whereby customers can easily set up a regular monthly investment via a computer or mobile device.

Innovative service products

Category	Function Features
"Good Fun Investment"	<ol style="list-style-type: none"> 1. E-commerce based operation interface, intuitive operation to reduce obstacles for beginners. 2. 768 intelligent stock selection and retirement trial function allows investors to easily select ideal investment targets without the need for professional knowledge. 3. Regular investment selects dynamic triple, which can construct a personalized intelligent investment model based on the rise and fall of the target. 4. Risk monitoring is conducted on a case by case basis to ensure that investors are disciplined in investing and accumulating wealth.
Thousand Dollar Share Deposit	<ol style="list-style-type: none"> 1. Investors set their own commission price, so they don't have to worry about buying more expensive than others. 2. There are many issuance volume of investment target companies, mostly the top 50 companies and ETFs in Taiwan, which are safe and stable. 3. The investment amount is between NT\$1,000 and NT\$15,000, which enables flexible funding operations.
Dr. Zheng Smart Order	<ol style="list-style-type: none"> 1. Available for setting a long-term (15-day) appointment. 2. The trigger conditions can be automated, which eliminates the need to track the market and greatly reduces missing opportunities to place an order. 3. Can be in advance for the entry and exit prices for the volatility or rebound, so as to avoid staring at the market or worrying about the stock price rise and fall, which will affect the investment opportunity.

Category	Function Features
Concord Web Orders	<ol style="list-style-type: none"> 1. It is not convenient for office workers to install AP programs on their computers. 2. Provide investors with a quick treasury stock liquidation method. 3. Clearly differentiate unrealized gains and losses: Treasury stocks of existing shares, financing, and securities lending.
Golden Opportunity App	<ol style="list-style-type: none"> 1. Pioneered the "King Con" application to let customers enjoy "fast, fierce, and precise" orders. 2. King Con – None of the functions (quick inventory, profit and benefit, and built-in reverse order) require switching pages. 3. Intra session alerts for real-time stock selection and strategic analysis to quickly grasp market trends and provide the best suggestions. 4. Exclusive user-friendly customized pages and flexible stock trading interface design that can be adjusted in real-time to meet the trading habits of different groups. 5. Pioneered "Microsecond Day Trading" provides faster and more convenient day trading for investors. 6. "Trial Calculation for Trading of the Day" function was added, enabling users to check "individual profit and loss" of their day trading position at any time. 7. Reminder messages and warnings for special stocks and stocks (including ETFs) without price fluctuation were added to provide complete information.
Palm Opportunity App	<ol style="list-style-type: none"> 1. Selected strategic stock selection tools – New Stock Winner, Smart Stock Selection, and Quick Hot Stock Selections. 2. Alarm conditions are set to push broadcast and real-time voice quotations so users can grasp all opportunities to buy and sell. 3. Users can directly sign the risk notice online, modify basic information, and set up Thousand Dollar Share Deposit projects. 4. The password can be directly unlocked and reset online to make the operation more automated. 5. Sub-brokerage delivery amount estimation saves investors' calculation time and improves order page optimization. 6. Add "Good Fun Investment," "KHPASS," and "Online Account Opening" to the Concord area to diversify our services.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

※ Platform services

1. Reminder alarm of Good Fun Investment

Due to the stop-loss mechanism of derivative financial products aimed at preventing violent stock price fluctuations that could lead to significant losses for investors, the platform has established stock reminder alarms. Investors must pay attention to recent stock trends and associated risks, and implement corresponding investment strategies accordingly.

2. Entry events of Good Fun Investment

Through collaboration with various marketing activities, each with its own participation requirements and qualifications, investors can use this function to learn about different events and confirm whether they meet the criteria for participation. This helps improve investor participation in various events.

3. Promotion activities of fraud prevention:



With digital technology advancing rapidly, new methods of financial fraud are continually emerging. Concord Securities employs eye-catching graphics on its official website to raise awareness about investment fraud methods.

If you have any concerns, please call the anti-fraud hotline at 165.



In addition, at the co-brand event "Good Fun Investment/Pitching," Concord Securities collaborated with Rakuten Monkeys to promote financial fraud prevention, reminding fans not to believe in unknown information and actively raising public awareness of fraud prevention and financial fraud.

4. Care about the platform experience in a timely manner

Concord Securities values each customer's experience on the platform, acknowledging that the professionalism of financial practitioners nowadays lies not only in market insight and risk control, but also customer care. In view of this, Concord Securities has established an internal system of "Caring about Certificate Multiple Application." By tracking the status of customers' multiple applications for certificate within one week, we are able to proactively contact customers to gain an in-depth understanding of the reasons for their repeated applications and assist customers in solving operational problems. Through the records in the system, we can further optimize the internal system

and formulate corresponding Standard Operating Procedures (SOPs). Addressing the problems that customers experience with the platform operation through the system not only brings customers a sense of peace of mind but also enhance the quality of our financial services through continuous optimization. This initiative not only ensures that customers always enjoy a professional and attentive service experience but also enable us to be a more reliable, stable financial partner for our customers.

Professional Training for Staff

Category	Description
License Certification	Business colleagues are strictly required to obtain licenses, and we have designated full-time personnel to manage and track the acquisition and validity of licenses. From business needs to on-the-job training provided by the competent authority, a total of 402 people have obtained on-the-job training licenses for securities, futures, wealth management, etc., and successfully obtained or extended their licenses in 2023.
Course Lectures	<ol style="list-style-type: none"> 1. Monthly popular industry analysis education and training courses are held to enable business colleagues to better grasp industry trends in real-time. 2. Established an enterprise learning network to develop marketing strategies for digital transactions according to customer trading habits to increase customer cohesion. 3. Management function strengthening courses are held in response to the impacts and business opportunities derived from FinTech on the securities industry. The goal is to train supervisors as leaders to lead the teams forward, prepare their mentality on how to exert influence, and apply what they have learned to actual management scenarios to facilitate the subsequent inheritance of management experience. 4. In 2023, 46 lectures were held.

4.2.2 Intellectual Property Management Plan

The future development of the securities industry and the decisive battleground lie in science and technology. Concord Securities is fully committed to developing digital finance, embracing FinTech talent and development as its core value, and enhancing information systems' independent design and development capabilities. To keep core value and sustainable competitiveness, the Company has set up the patent review task force in August 2016, dedicated to intellectual property management and promotion. The convener of the patent review task force is the President, and the task force members include supervisors of business, IT, and compliance units.

The Company has created patent application and reward measures to encourage colleagues to innovate and provide appropriate incentives. The goal is to encourage colleagues to actively innovate at work and turn work results into profit creation tools for the Company.

Implementation Status in 2022

- On October 19, 2022, the patent for "Material Information Risk Early Warning Device and Method" was awarded the Best Product Award at the National Brand Yu Shan Awards.
- On November 08, 2022, the patent application and rewards criteria were revised and the approval level was adjusted to the Board of Directors.
- The implementation status of the Company's intellectual property management plan was reported to the board of directors in December 16, 2022.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Achievement of obtaining intellectual property

During the period from 2020 to 2023, the Company obtained 4 financial invention patents approved by the Intellectual Property Office, Ministry of Economic Affairs.

Items	Invention No./Valid Period	Status	Total
Patent for device generating data index value, method for generating data index value and computer program product therefor	Obtained invention patent approved by Intellectual Property Office of Ministry of Economic Affairs (invention No. I819943)	Approved and Valid	1
Risk Control Device and Method	Obtained the invention patent (invention No. I751586) approved by the Intellectual Property Office, Ministry of Economic Affairs. The certificate validity period is from January 1, 2022, to June 16, 2040.	Approved and Valid	1
Material Information Risk Early Warning Device and Method	Obtained the invention patent (invention No. I716172) approved by the Intellectual Property Office, Ministry of Economic Affairs. The certificate validity period is from January 11, 2021, to October 29, 2039.	Approved and Valid	1
Transaction Dispatch Device and Method	Obtained the invention patent (invention No. I706361) approved by the Intellectual Property Office, Ministry of Economic Affairs. The certificate validity period is from October 1, 2020, to May 30, 2039.	Approved and Valid	1
Total			4



4.3 Inclusive Finance

4.3.1 Provide Small Financial Products and Services

Concord Securities has launched several inclusive financial products and services to exert its financial influence to promote the concept of public well-being. The goal is to implement inclusive finance and fulfill corporate social responsibility by enabling all levels and groups in society to enjoy fair and reasonable financial services or resources.

1. Thousand Dollar Share Deposit

To provide financial services to small fund investors, Concord Securities has launched the Thousand Dollar Share Deposit plan, which recommends small fund investors to regularly buy stocks at a fixed amount to diversify their risks. The feature of a regular fixed quote is "mechanized investment." There is no need to predict high and low points. The "fixed monthly deposit" concept enables small funds to diversify risks. Combined with compound interest over time, customers can achieve steady investment through fractional share trading and enjoy the wealth snowball effect created by share deposits. The Thousand Dollar Share Deposit plan includes "regular fixed-amount share deposits" and "deposit-type custom leveraged equity options." Since the launch of the Thousand Dollar Share Deposit plan, the most popular deposit shares for investors include Yuanta/P-shares Taiwan Top 50 ETF (0050), Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (00878), Yuanta Taiwan Dividend Plus ETF (0056), Fubon FTSE TWSE Taiwan 50 ETF (006208), TSMC (2330), and other stocks/ETFs.

Trading volume of thousand dollar share deposit

Items \ Year	2022	2023	Difference ratio
Cumulative number of customers agreed to use	11,203 accounts	12,950 accounts	+15.59%
Total amount invested for the year	NT\$117,629,286	NT\$160,842,559	+36.73%

2. Good Fun Investment

Concord Securities offers diversified financial services for small fund investors. In addition to investing in stocks on a regular fixed-amount basis to gradually accumulate wealth, we also introduce Dynamic Triple Investments, enabling investors to adjust their positions according to market conditions. With the discipline of regular investment, the scale of positions determined at different times allows investors to have more flexible choices in investment strategies. Since the launch of the platform, stock targets selected by investors include TSMC (2330), Evergreen (2603), Mediatek (2454), Unimicron (3037), and Hon Hai (2317).

Trading volume of Good Fun Investment

Items \ Year	2022	2023	Difference ratio
Number of transactions	453	386	-14.8%
Total transaction amount for the year (NT\$)	6,700,776	17,186,658	+156.49%

3. Dr. Zheng Smart Order Service

Because customers cannot stare at stock indices all day, they may miss opportunities to place orders during rapid price fluctuations. Therefore, to help customers place orders at the right time, Concord Securities has launched a cloud-based, long-term mobile smart ordering function. Investors can monitor the price and volume information or ordering time points for specific stocks, which will automatically place an order when the stock's price, trading volume, or time point meets the set conditions. Dr. Zheng Smart Order offers a long-term (15-day) mobile smart order function. In addition to freeing investors from checking the stock indices for 15 days during business travels, trips, or meetings, the settings can also be changed anytime, anywhere with the phone to significantly reduce

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

missing chances of ordering at the right moment.

Dr. Zheng Smart Order Service

Items \ Year	2022	2023	Growth rate
Number of users	502	522	+3.98%
Number of transactions	5,469	16,917	+209.32%
Total transaction amount for the year (NT\$)	916,188,453	2,836,939,439	+209.64%

Note: In 2021, the amount was originally NT\$972,296,106, which was amended to NT\$973,747,306.

4. Buy funds on a regular fixed-amount basis

In order to meet the needs of investors at different stages of their lives, enable small fund investors, senior citizen and fund users to easily participate and buy funds on a regular fixed-amount basis, Concord Securities offers the concept of long-term investment, regular fixed-amount investments and saving good stocks to earn interest as a new choice for retirement financial planning.

4.3.2 Friendly Financial Services

The Company's Nankan Branch complies with the regulations on the number of people with disabilities and specifications, and has won awards for three consecutive years between 2018 and 2021 from the Taoyuan City Government Labor Bureau for providing a high-quality work environment for "people with disabilities".

1. Establish a "Financial Friendly Zone"

The Company has constructed a barrier-free web page on its official website to provide various ordering and account opening services. The Company's "financial friendly zone" has received the NCC's website standard Level-A certification mark.



2. Create a Barrier-free Friendly Service Environment

The status and ratio of barrier-free facilities established on the business premises of the Company's Headquarters and Branches.

- (1) Barrier-free business locations: The Company has 16 business locations, all of which are located on the ground floor of the buildings. Of these, 15 locations have barrier-free ramps at the building entrance. Only the Penghu Branch has restricted movement in the building and cannot install barrier-free ramps. Thus, the barrier-free ratio is 93.75%.

- (2) Barrier-free account opening counters: The Company has 16 business locations, 11 of which use low-level platforms to make it convenient for customers to open accounts. The other 5 locations have slightly taller counters, but there are round tables next to the counters designed to facilitate customer interaction and provide zero-barrier services. Thus, the ratio is 100%.
- (3) If the hardware equipment is deficient, a dedicated person will provide individual customer services.

3. Senior Citizen Services:

- To implement the protection of financial consumers of senior citizen (elderly customers) and provide a friendly senior citizen financial environment, the branch is equipped with love bells, reading glasses and wheelchairs for those in need to use at any time.
- Implement the protection of financial consumers of senior citizen (elderly customers), strengthen the care and goodwill care customer interview operation, day trading loss care questions, and repeat entrusted care questions.
- To implement protection of senior financial consumers, the "Self-discipline Guidelines for Financial Services to Senior Customers" was established.

In compliance with (111) Jing-Ji-Gong-Zi No. 0027: Brokerage Business Measures Related to Elderly Customers, the Company has developed the following regulations to protect senior financial consumers (elderly customers):

- (1) Goodwill Care Customer Interviews: Random interviews are conducted with senior customers aged 65 and above.
- (2) Day trading loss care questions: Starting October 1, 2022, brokers are required to conduct monthly care questions for senior customers aged 65 and above who have experienced significant losses in day trading during the previous month, and maintain relevant records.
- (3) Sub-brokerage care questions: Brokers conduct care questions for senior customers aged 65 and above, and maintain relevant records.

4. Younger customers (30 years or younger)

According to the statistics of the Stock Exchange at the end of 2023, the number of accounts opened among the people in their 20s to 30s experienced a month-on-month increase of 16,226 accounts, remaining the largest in number. In order to allow beginners to quickly involve in investment and financial management, the Company has established the "Easy Learning for Beginners" section on the official website to cater to the needs of younger investors. The website received a total of 595 views.

5. Non-counter Services

- Telephone voice, web and mobile platforms for various financial services and customer service.
- Accessible facilities: lifts, ramp design, etc.
- Professional reception by service staff.
- Customer service hotline and official website reservation counter service.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

6. Social Media Management

As young stockholders continue to actively enter the market, Concord Securities focuses on using new media to communicate with the new generation, interacting with customers on the official Concord Securities social media platforms (FB fan group/Instagram/LINE@), not only for marketing activities when new products are launched, but also to provide valuable and interesting content to enhance brand goodwill.



Introduction

The official LINE@ account provides investors with various services such as one-click order placement, online account opening, official website, and the ability to bind accounts for account enquiries, providing exclusive and personalized services. In addition, it regularly provides a daily news round-up before the opening of the market, also irregularly shares information on brand events and subscription lotteries, and produces monthly greeting cards for fans to download and forward.

2023 Operating Condition

The cumulative number of friends has reached over 20,000.



Introduction

The official fan group of Concord Securities often combines currently trending topics to share correct investment concepts, diverse domestic and international market information, and financial management knowledge. These efforts aim to remind users to pay attention to information security to protect them from fraud. Additionally, it synchronizes information on major company events and promotes digital account opening and electronic trading services for online orders.

2023 Operating Condition

The cumulative number of friends has reached over 12,000.



4.3.3 Inclusive finance



7. Inclusive finance - Free financial management seminar for corporate groups

1. Organize "Concord Spreads Love, financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas, new immigrants, and elderly"
 To become the friendliest brokerage, Concord Fun Task operates an ESG-friendly area and provides customers with attentive service. For different groups, Concord Securities has launched a series of lectures as follows:

(1) Senior Citizen Inheritance - Lectures on Enjoying Life in Peace (senior/elderly)

Concord Securities collaborated with the tourism industry to promote fraud prevention and property inheritance through insurance. By combining "fraud prevention promotion" and "property inheritance," we promoted the concepts of fraud prevention and insurance inheritance to ensure that senior citizens can enjoy peace of mind in their lives and pass on their wealth. Branches invited senior customers aged 60 and above to participate in events, primarily held at branch venues (afternoon tea and prizes were provided for participants).

(2) Caring about New Immigrants - "Live a New Life in Taiwan" (new immigrants)

To promote friendly services, we assist new immigrants in adopting correct financial management concepts and awareness of fraud prevention. Additionally, we provide promotions for correct financial management, anti-fraud awareness, and friendly services, along with distributing small gifts.

(3) Concord spreads love lectures: Concord Spreads Love - Change Your Life (assisting disadvantaged families - youth and children)

Introducing financial literacy education from a young age can enhance individuals' financial knowledge, enabling them to overcome poverty, achieve prosperity, and embrace life. Simultaneously, we care for underprivileged groups and take concrete actions to alleviate the regrets in life stemming from disadvantages.

In 2023, we held 4 sessions of "Concord Spreads Love, financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas, new immigrants, and elderly." These sessions had a total of 92 participants.

Promotion contents of "Concord Spreads Love, financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas, new immigrants, and elderly"

Sessions	Region/Location	Date/Time	Theme	Number of Attendees
1	Taipei City/Taipei Xi Hong Café	2023/6/13 14:30 - 16:30	LOHAS Inheritance - Enjoying Life and Anti-Fraud Promotion	20
2	Hsinchu City/Hsinchu Xi Hong Café	2023/7/12 14:30 - 16:30	LOHAS Inheritance - Enjoying Life and Anti-Fraud Promotion	20
3	Xingang Township, Chiayi County/New Immigrant Activity Center	2023/7/16 13:00 - 14:30	1. Install correct financial management concepts. 2. Promote scholarships for children of new immigrants.	38
4	Zhuqi Township, Chiayi County/New Immigrant Activity Center	2023/10/29 13:00 - 14:30	1. Install correct financial management concepts. 2. Promote scholarships for children of new immigrants.	14
Total Attendees				92

(4) Organized "Way to Financial Richness Led by Experts - Financial Management Seminar and Anti-Fraud Awareness Campaign"

To embrace the new era of inclusive financial, the nation-wide lecture tour "Wealth Life" invited stock market KOLs to lecture on 3 to 4 different topics, integrating aspects of "lecture," "platform," "fans," and "anti-fraud." The event combined inclusive financial management with anti-fraud promotion, inviting branches, Facebook followers of the KOLs, and enterprises to participate.
 In 2023, we held 13 sessions of "Way to Financial Richness Led by Experts - Financial Management Seminar and Anti-Fraud Awareness Campaign." A total of 14 enterprises and groups from around Taiwan participated, with 445 attendees in total. The event received a certificate of appreciation from the participating corporate owners.

Contents of "Way to Financial Richness Led by Experts - Financial Management Seminar and Anti-Fraud Awareness Campaign"

Sessions	Region/Location	Date/Time	Theme	Number of Attendees
1	Chiayi City/Chiayi Branch	2023/4/19	AI vs. Human Nature, Market Showdown, and Reveal of Winner's Secret Technique!	42
2	Taipei City/Yanping Branch	2023/4/26	Follow FION's Stock Selection Strategy to Deploy in Advance Every Month! and Anti-Fraud Promotion	17
3	New Taipei City/Banqiao Branch	2023/4/28	AI vs. Human Nature, Market Showdown, and Reveal of Winner's Secret Technique! and A-Fraud Promotion	31
4	Taipei City/Renai Branch	2023/5/3	Follow FION's Stock Selection Strategy to Deploy in Advance Every Month! and Anti-Fraud Promotion	21
5	Taipei City/Neihu Branch	2023/5/9	Stock Selection by CFO! Identify Stocks with Higher Winning Percentage Using Big Data as well as Anti-Fraud Promotion	31
6	Taipei City/Neihu Branch	2023/5/11	Stock Selection by CFO! Identify Stocks with Higher Winning Percentage Using Big Data as well as Anti-Fraud Promotion	16
7	Taipei City/Taipei Branch	2023/5/18	How Can Novice Investors in the Taiwan Stock Market Develop a Master Mindset? and Anti-fraud Promotion	17
8	Tainan City/Tainan Branch	2023/5/19	AI vs. Human Nature, Market Showdown, and Reveal of Winner's Secret Technique! and A-Fraud Promotion	27
9	New Taipei City/Banqiao Branch	2023/5/23	Stock Selection by CFO! Identify Stocks with Higher Winning Percentage Using Big Data as well as Anti-Fraud Promotion	22
10	Taipei City/Shipai Branch	2023/5/24	AI vs. Human Nature, Market Showdown, and Reveal of Winner's Secret Technique! and A-Fraud Promotion	21
11	New Taipei City/Yonghe Branch	2023/5/31	Follow FION's Stock Selection Strategy to Deploy in Advance Every Month! and Anti-Fraud Promotion	36
12	Kaohsiung City/Zuoying High Speed Rail Station	2023/6/16	Future of AI and Anti-fraud Promotion	84
13	Taichung City/Taichung Branch	2023/7/21	Future of AI and Anti-fraud Promotion	80
Total				445

(5) Guardian of the Mind "Candlelight Publicity Campaign to Safeguard Financial Security"

The external environment is constantly changing, and investors can only avoid falling into traps by increasing their risk awareness. With this in mind, the Company organizes the "Candlelight Publicity Campaign," recognizing every employee as a candle that spreads digital enlightenment to the public. Let us work together to become guardians of financial security alongside our customers, protecting not only ourselves but also our family members and friends. A single candle may be insignificant, but it can light a thousand candles.

Scan and share with a mobile phone.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

4.4 Customer relationship management

4.4.1 Implementing the "Principles of Equitable and Fair Treatment of Customers in the Financial Services Industry" policy and commitment

Concord Securities values the rights of its customers and has incorporated the spirit of equitable and fair treatment of customers into its corporate culture, and has implemented the "Principles of Equitable and Fair Treatment of Customers in the Financial Services Industry" laid down by the FSC. Concord Securities is committed to caring for its customers and has incorporated the principle of equitable and fair treatment of customers into its daily core business, and has set up a dedicated "Equitable and Fair Treatment of Customers Promotion Committee", with the President as the convener, to hold regular meetings to plan, review and improve the implementation of the equitable and fair treatment of customers principle and product review, and to report to the Board of Directors on the status of implementation, with a view to strengthening implementation from the top down. It also assists departments in the implementation of the "Principles of Equitable and Fair Treatment of Customers" policy, incorporates internal compliance and codes of conduct into education and training programs, and provides internal controls and audits for the company.

Education and training on the principles of Equitable and Fair Treatment of Customers

Year	Sessions	Number of trainees	Training Time	Completion rate (%)
2021	1	653	1,905	100%
2022	2	720	2,130.5	100%
2023	1	637	1,911	98.61%

4.4.2 Customer Complaint Cases

In 2023, the business unit received 12 customer complaints or reports, which was a reduction of 2 cases compared to the 14 customer complaints or reports received in 2022. The cases were handled according to the handling procedures stipulated in the Company's internal control system, and a complete handling report record was subsequently retained. However, the nature of cases and transaction issues account for 25%, account-related issues account for 17%, account opening problems account for 34%, defaults account for 8%, frauds account for 8%, and customer complaints from other subsidiaries account for 8%. These complaints indicate that there is still room for improvement in terms of trading, account services, account opening issues for the Brokerage Business Unit in order to create an excellent order placing environment and a good corporate image.

※ In order to reduce customer complaints and improve service quality, the Company has taken the following measures:

- (1) Strengthen quarterly awareness of laws and regulations for business colleagues.
- (2) Enhance interaction with customers, and the branch is serviced quarterly by the supervisor or its designated personnel of the business unit entrusted with the sale and purchase of goods.
- (3) The salesperson conducts "Goodwill Care Customer Interviews" and keeps relevant audio records and documents.

Customer Complaint Form

Items	2022		2023	
	Number of Cases	Percentage	Number of Cases	Percentage
Transaction Issues	5	36%	3	25%
Service Attitude	-	-	-	-
Accounting Issues	-	-	2	17%
Account Opening Issues	2	14%	4	34%
Information Recommendation	-	-	-	-

Items	2022		2023	
	Number of Cases	Percentage	Number of Cases	Percentage
Warrant Related	3	21.50%	-	-
Business Advertising Solicitation	3	21.50%	-	-
Breach of Contract	1	7%	1	8%
Fraud	-	-	1	8%
Others	-	-	1	8%
Total	14	100%	12	100%

Promotion of employee participation in penalty cases:

Items	2021	2022	2023
Regulation Compliance Department: Hold legal news + penalty cases + education and training	189 times	248 times	235 times
Auditing Office: Handle common defect inspections and classification summary + penalty case advocacy	12 times	12 times	12 times

4.4.3 Customer Rights Protection

The Company has formulated the "Financial Consumer Dispute Handling Method" to focus on consumer dispute handling. The goal is to improve the efficiency and quality of consumer dispute resolution and protect consumer rights. The Company has formulated the "Administrative Measures for Engaging in Advertising Business Solicitation and Business Promotion Activities" to ensure that all relevant conduct is handled according to laws and regulations. When publishing and broadcasting advertisements and conducting business solicitation or promotion activities, the content of advertisement solicitation must be true and correct. There shall be no sham, fraud, concealment, or other content that may be misleading to protect the rights and interests of investors.

The Company has established the "Financial Product Know your Customer and Product Suitability Review Procedures" to provide a basis for customers to engage in equity guarantee related to financial product contract transactions; if derivative financial product trading services are provided to customers other than professional institutional investors and high net worth investment corporations, the risk attribute rating of customers shall be reviewed at least once a year to ensure that the products or services are provided in a manner that is fair and reasonable to the customers and to reduce customer complaints.



CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

3. Sustainable
Governance

4. Sustainable Finance

■ 5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix



5. Happy Workplace

5.1 Employee attraction and retention

5.2 Talent cultivation and development

5.3 Friendly working environment

5.4 Compensation, benefits, and
employee care

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

5. Happy Workplace

Performance Highlights

- ◆ First awarded the Sport Enterprise Certification by the Sports Administration, Ministry of Education.
- ◆ Awarded the Gold Award for Happiest Employees from 1111 Job Bank for two consecutive years.
- ◆ Awarded the Model Award as Agency for Employment of Persons with Disabilities from Taoyuan City.
- ◆ Won the Bronze Award for Evaluation of Talent Development Quality Management System (TTQS) again.
- ◆ Honored as one of the top 10% of outstanding companies in the "Corporate Sustainability Report Open Occupational Health and Safety Indicators Active Rating" organized by the Occupational Safety and Health Administration, Ministry of Labor.
- ◆ Consecutively awarded the "Health Promotion Seal" by the Health Promotion Administration, Ministry of Health and Welfare.
- ◆ Obtained a certificate from the Ministry of Labor for participating in the National Workplace Safety and Health Week for two consecutive years.
- ◆ Passed the verification for ISO 45001: 2018 occupational safety and health management system.

Talent is the core value and competitiveness of Concord Securities Group. We have actively improved colleagues' professional skills and growth using a systematic, targeted, and holistic cultivation approach to increase intellectual capital and establish a career development map. The Company also often organizes various activities to enhance employee cohesion, improve care for employees, and develop various welfare programs to create a warm and happy work environment so employees can develop their work and family life in harmony. In addition to protecting the rights and interests of workers according to the Labor Standards Act and the Labor Insurance Act, the Company also provides comprehensive group insurance and medical insurance plans so that colleagues can work with peace of mind without any worries.



5.1 Employee attraction and retention

5.1.1 Workforce Structure

The department heads hire Concord Securities' employees according to the job requirements of each department. The Company has established appropriate qualifications and conditions for employment according to the Company's "Personnel Recruitment Operation Guidelines." Personnel appointments are handled according to the "Labor Standards Act", "Employment Service Act", "Act of Gender Equality in Employment", and "People with Disabilities Rights Protection Act" to comply with gender equality and human rights protection.

As of the end of 2023, Concord Securities and its subsidiaries have hired 817 employees with an average age of 45.44 years.

5.1.2 Human resources structure statistical table

1. Group employees according to region and gender

The ratio of the Company's male to female employees in 2023 was 1:1.475

Number of people	North Region		Central Region		South Region		All group	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Female	370	1	35	0	80	1	485	2
Male	263	2	21	0	44	0	328	2
Total	633	3	56	0	124	1	813	4

※ Note:

1. North Region: Head Office, Taipei, Shipai, Neihu, Yanping, Renai, Yonghe, Banqiao, Nankan, Hsinchu; Central Region: Taichung; South Region: Chiayi, Tainan, Kaohsiung, Pingtung, Penghu
2. Regular employees are full-time employees who are permanently employed.
3. Irregular employees are employees who are either temporarily employed or work on a part-time basis.
4. In 2023, the total number of employees decreased by 2.5%, with no significant change.
5. There was 1 part-time employee in 2023.
6. It is mainly the number of employees as of December 31, 2023.

2. Group employees according to company and gender:

	Securities	Futures	Capital Management	Insurance Agent	Asset Management	Total
Female	399	79	5	3	1	487
Male	247	66	12	4	1	330
Total	646	145	17	7	2	817

※ Note: It is mainly the number of employees as of December 31, 2023.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

3. The Group's employees according to educational background:

(In 2023, 16.89% of the Company's employees had a master's degree or higher)

Educational background		2022	2023
Education distribution ratio (%)	Ph.D.	0.24%	0.24%
	Master	16.07%	16.65%
	College	70.50%	70.99%
	High school	13.07%	12.12%
	High school or lower	0.12%	0%

4. The Group's management/non-management employees

Year		2022	2023	Difference
Number of Employees	Management Staff	82	80	-2
	General Staff	752	737	-15
	Total	834	817	-17
Average Age		45.12	45.44	0.32
Average Seniority		10.07	10.31	0.24

Note: Managers are responsible for administering the management of a department or unit.

5. The Group's employees according to gender, age, supervisory position, and general position:

FY2023		All Employees			
Gender	Age range	Supervising Positions	General Positions	Total	Percentage
Male	50 years or older	39	94	133	16.28%
	31-49 years old	23	128	151	18.48%
	30 years or younger	0	46	46	5.63%
	Total	62	268	330	40.39%
Female	50 years or older	10	199	209	25.58%
	31-49 years old	8	206	214	26.20%
	30 years or younger	0	64	64	7.83%
	Total	18	469	487	59.61%
Total		80	737	817	100%

Note: Including part-time staff working-students.

6. Average age and seniority of Group employees

2023/12/31	Average Age	Average Seniority
Male	44.99	8.53
Female	45.75	11.52
Full staff	45.44	10.31

7. Statistics on new employees of the Group by gender and age

New Employees in 2023		Number of People/Percentage			
Gender	Age	New employees Number of people	Percentage	As a percentage of the total number of employees	As a percentage of the total number of employees in the category
Male	50 years or older	8	7.84%	0.98%	6.02%
	31-49 years old	24	23.53%	2.94%	15.89%
	30 years or younger	20	19.61%	2.45%	43.48%
Female	50 years or older	9	8.82%	1.10%	4.31%
	31-49 years old	17	16.67%	2.08%	7.94%
	30 years or younger	24	23.53%	2.94%	37.50%
Total		102	100%	12.49%	12.49%

Note: Excluding 5 reinstated employees.

Note: As a percentage of the total number of employees in the category: Total number of new (resigned) employees in the category/total number of employees in the category

8. Statistics on resigned employees of the Group by gender and age

Employees who resigned in 2023		Number of People/Percentage			
Gender	Age	Resigned Number of people	Percentage	As a percentage of the total number of employees	As a percentage of the total number of employees in the category
Male	50 years or older	22	18.03%	2.69%	16.54%
	31-49 years old	25	20.49%	3.06%	16.56%
	30 years or younger	22	18.03%	2.69%	47.83%
	Total	69	56.55%	7.44%	61.13%
Female	50 years or older	15	12.30%	1.84%	7.18%
	31-49 years old	26	21.31%	3.18%	12.15%
	30 years or younger	12	9.84%	1.47%	18.75%
Total		122	100.00%	14.93%	14.93%

Note: Resigned personnel include those who remain on duty without pay.

Note: As a percentage of the total number of employees in the category: Total number of new (resigned) employees in the category/total number of employees in the category

9. Non-employee workers

During this year, inventory was conducted for the following personnel. The Company signed a labor contract with a partner company, which assigned service providers to the Company, including 1 security guard and 3 cleaning staff. Additionally, there were 21 interns who participated in the Company's industry-academia collaboration during the semester and summer vacation.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

5.1.3 Complaint mechanism and communication channels

Complaint system

In order to provide communication channels for employees to strengthen labor-management cooperation relationship and assist them in resolving matters relating to their personal rights and interests or unfair treatment at work, the Company has established the "Employee Complaint Procedure", under which employees may lodge complaints with the Human Resource Department, the complaint handling unit, and the complaint handling unit shall refer the investigation result to the Reward and Punishment Committee for disciplinary action against the complaine, depending on the severity of the case.

Report Mailbox

To implement corporate governance and improve the functions of the board of directors, the Company has formulated a reporting system and set up an online "reporting mailbox" area in the Company. Colleagues are welcome to submit specific evidence to report any illegal incidents involving the Company or its personnel. The Company maintains confidentiality for the reported cases and has created a special filing method, and orders the relevant departments to investigate and make improvements as soon as possible. The Company's Regulation Compliance Department also regularly promotes the Company's whistleblowing system and encourages colleagues to offer suggestions to improve the various mechanisms through internal reporting.

Sexual Harassment Complaint Channel

The Company has established measures for "Workplace Sexual Harassment Prevention", "Admonishment and Punishment" and set up a Sexual Harassment Complaint Handling Committee to take charge of sexual harassment complaints, investigation, and resolution related matters to prevent sexual harassment and protect the rights and interests of victims and provide colleagues with a good work environment.

Sexual harassment complaint channels are as follows:

- ◎ Sexual harassment complaint hotline: (02) 8787-5488
- ◎ Sexual harassment complaint fax number: (02) 2766-1704
- ◎ Sexual harassment complaint email: complaint.hr@concord.com.tw

In 2023, the Company received no sexual harassment complaints.

Employee Communication

We attach great importance to providing smooth communication channels for our colleagues and listening to their suggestions carefully. We use a variety of problem response channels to create effective employee communication and interaction environments such as daily verbal responses, online employee proposal areas, and experience report suggestions to discover the needs of colleagues and constantly improve the relevant issues. Employee communication methods are as follows:

(1) Satisfaction survey after labor-management meetings or education and training courses

Concord Securities has appointed labor and management representatives according to law and held regular "labor-management meetings" to enhance discussions and exchanges between employers and employees. The resolutions of such meetings are also instructed to be completed within a certain time. The records of each phase of the labor-management meeting are placed on the Company's intranet (labor-management meeting area) for colleagues to inquire at any time.

The Company has a comprehensive employee education and training system. In addition to improving colleagues' professional knowledge and skills, the system can also conduct surveys for each interactive course via an anonymous satisfaction questionnaire after class. The goal is to improve the training environment and courses according to the needs and issues of colleagues and to open up a multi-party exchange area for colleagues to voice their concerns.

In 2023, 4 labor-management meetings were held, and the average satisfaction for course by external lecturers was scored 4.48 (out of 5).

(2) Hold Knowledge Sharing Events

We have established a strong lineup of internal trainers and improved the quality of internal training courses using our comprehensive internal trainer training system. The internal lecturers shoulder the responsibility of passing on culture and teaching professional knowledge to ensure colleagues fully understand the Company's management system and business strategy direction via various internal training courses and internal lecturer sharing activities.

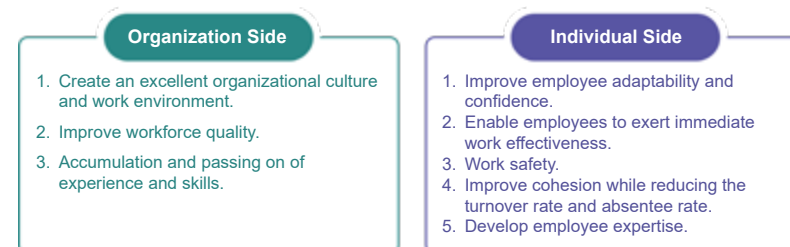
During monthly birthday parties, occasional incentive and commendation meetings, or important gatherings within the Group, colleagues can share their thoughts with each other, pass on their experience, and conduct lectures on various soft topics such as official document writing and skills, eye-protective diets, work efficiency enhancement with advanced excel techniques, etc. The goal is to improve the general knowledge of colleagues and balance the development of work and life.

5.2 Talent cultivation and development

Diversified Training System

Talent is the most critical asset of Concord Securities, and it is also the key to creating profits for shareholders, maintaining market competitiveness, and sustainable management. To meet the diversified investment needs of customers, we are committed to the R&D of various new financial products. We pay close attention to the professional function training for employees and talent training and development. The goal is to continuously improve the quality and efficiency of services and strengthen the advantages of retaining talented employees.

The Company continues to execute the training and learning system:



5.2.1 Financial talent formation

1. In-person education and training

The Company has provided various training and on-the-job training opportunities every year according to the Education and Training Measures in response to the financial industry competition, business development, and to improve employees' professional quality, skills, and career development. The courses cover internal and external education and training. The internal training includes new personnel training, professional function training, supervisor ability training, general training, and corporate governance. The courses are implemented online to enable more colleagues to learn together. External training courses include fire safety training, professional seminars, and various qualification training courses.

2. Autonomous online learning

Concord Securities is committed to E-learning. Since 2005, the Company has provided more diversified learning channels for colleagues through the digital learning platform. The colleagues are free to choose from a variety of multimedia digital courses, and can preserve and share professional knowledge through online learning, quizzes, and problem discussions, etc. The platform currently covers digital teaching materials for various businesses to equip staff with the correct knowledge of the products and to share and inherit practical knowledge and self-learning and improve learning efficiency, enabling employees and the Company to grow together.

3. Concord finance university prepares elite talent

To improve the overall workforce quality of Concord Securities Group, the quality of employees, and cultivate management talent, build corporate consensus, the Company continues to prepare middle and high-level talent, strengthen their professional knowledge and skills, and assist colleagues in career planning, stimulate the development potential, and train talent for specific positions, and cooperate with human resource management to integrate the workforce, cultivate outstanding long-term middle and high-level cadres, and improve management standards, business strategy, and corporate culture for the Company's entire workforce.

4. On-the-job training subsidy

To provide diversified learning channels and encourage employees to enrich their skills, the Company has formulated the "Employee On-the-job Learning Degree Management Key Points" to offer subsidies to colleagues participating in on-the-job training in domestic public and private universities. The master's subsidy is NT\$100,000, and the Ph.D. subsidy is NT\$150,000. Moreover, the tuition for colleagues participating in professional training courses conducted by domestic and foreign training institutions is borne by the Company according to the "Education and Training Method." In 2023, the Company conducted a total of 27,631 training sessions for a total of 34,192 training hours, with a decrease of 0.05% compared to the average training hours in 2022.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

5. Education and training for ESG sustainable development

To fulfill the vision of sustainable corporate development, the Company has established the Sustainable Development Best Practice Principles to provide guidelines for its sustainable development and set the "Sustainable Development Committee" in March 2022. Since November 2021, we have been organizing training courses aimed at providing our directors and managers of all levels with an understanding of the direction and content of our sustainability policies. These courses are designed to raise awareness, and we have subsequently introduced ISO 14001:2015 and ISO 45001:2018 certification, along with organizing related education and training sessions to implement various sustainable development strategies.

Countries around the world and in East Asia have successively announced the goals of reducing carbon emissions by 50% by 2030 and achieving carbon neutrality by 2050. To participate in and promote the achievement of climate change mitigation goals, the Company plans to introduce ISO certification in 2022. In addition to internally organized training sessions, we also encourage employees to participate in external training courses or seminars. Through these initiatives, we aim to progressively fulfill the Company's commitment to sustainable development and the ESG environment. Internal and external ESG-related trainings are as follows:

- Environmental aspect: 111 participants for greenhouse gas inventory, international carbon reduction trends, etc.
- Social (human rights) aspect: 2,999 participants for corporate social responsibility, human rights issues, etc.
- Corporate governance: 1,143 participants for sustainable finance, green finance, etc.
- A total of NT\$5,371,930 was allocated for the annual budget of education and training to strengthen employee training and talent development. In 2023, a total of 27,631 individuals received training.

Employee Training Hour Statistics in 2023

Year	2022			2023			Training Time (hours)
Gender	General Positions	Supervising Positions	Average Hours	General Positions	Supervising Positions	Average Hours	Increase/ Decrease of Average Hours from the Previous Year
Female	56.40	57.65	56.71	52.36	59.69	53.96	-2.75
Male	53.24	50.64	52.17	50.69	52.01	51.27	-0.9
Total	55.33	54.04	54.92	51.84	55.44	52.93	-1.99

Note: In addition to receiving on-the-job training according to the requirements of the competent authority, the Company also provides professional training according to various job positions and does not select training based on gender.

2023 Education and Training Hour Statistics

Category	Items	Total Number of People	Total Hours	Total Cost (NTD)
Internal training	Professional skill training	22,048	15,729	429,240
	Supervisor competency training	226	1,181	941,086
	General training	3,136	4,903	11,600
	Corporate governance	72	216	42,436
	Principles of Equitable and Fair Treatment of Customers in the Financial Services Industry	637	1,911	20,580
	Subtotal	26,119	23,940	1,444,942
External training	Firefighter and work safety training	18	169	13,300
	Profession training	44	788	554,685
	Qualification and refresher courses	49	570	154,110
	Pre-employment, on-the-job training, and other securities and futures-related courses	1,401	8,725	872,000
	Subtotal	1,512	10,252	1,594,095
Other training costs: transportation costs				11,831
Total		27,631	34,192	3,050,868

5.2.2 Performance Management

Employee Performance Evaluation and Development

The Company has regularly implemented performance evaluations, formulated "Performance Appraisal Management Measures", and evaluated employees' annual work performance. The Company promotes or adjusts the salaries of employees with outstanding performance according to the "Employee Promotion and Salary Adjustment Method." In terms of employee assessment criteria, a fair and reasonable assessment system is established every year, and employee performance management is implemented via an annual assessment mechanism.

The number of participants in the Company's assessment in 2023 is 626.

(Those who have served for less than three months prior to the performance appraisal benchmark date will not be considered for the appraisal.)

There are 3 aspects of employee performance assessment:

1. Work performance: Evaluate colleagues' work objective performance.
2. Professional learning: Continuing education and license acquisition status review for colleagues.
3. Key competencies and attitudes: Assess the work attitudes, behaviors, and professional abilities of colleagues.

Reward Activity - Senior Employee Rewards

- We have arranged public reward ceremonies to show our gratitude for colleagues' long-term dedication to the Company during prosperous years. A total of 32 colleagues have served the Company for over 20 years and received rewards presented by the Company.
- Various awards are designed according to colleagues' performance to inspire colleagues to work hard and achieve the annual goals. Medals and bonuses are awarded at the end of the year to encourage a total of 83 outstanding colleagues. Relevant awards are listed below.

Internal Awards

- | | |
|---|--|
| ■ High Performance Departments | ■ Outstanding Contribution to Sub-brokerage Business Award |
| ■ Outstanding Contribution Award | ■ Outstanding Contribution to Fund Sales Award |
| ■ Outstanding Employee Award | ■ Outstanding Foreign Bond Sales Award |
| ■ Outstanding Contribution to Securities Brokerage Award | ■ Outstanding Account Opening Award |
| ■ Outstanding Market Share of Securities Brokerage Award | ■ Outstanding Market Share Growth Award for Securities Branches |
| ■ Outstanding Volume of Overseas Futures Award | ■ Outstanding Market Share Achievement Award for Securities Branches |
| ■ Outstanding Contribution to Insurance Sales Award | ■ Outstanding Profitability Award for Securities Branches |
| ■ Outstanding Contribution to Security Lending Business Award | ■ Winner of Competition for Recruiting New Employees for Securities Branches |
| ■ Outstanding Contribution to Insurance Sales Award | |



5.3 Friendly working environment

5.3.1 Establish an occupational safety and health management system

Concord Securities is committed to promoting workplace health promotion activities, refining and improving workplace safety and health, bringing the company's safety into line with international standards and achieving the goal of a "people-oriented" workplace. For this reason, the Headquarters introduced ISO 45001 occupational safety and health management system certification in 2022, and passed the British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI) verification in 2023, which was disclosed in the official website. Its activities covered the securities business service and management of the Headquarters. There are 304 workers and 4 security and cleaning personnel signing labor contracts (Note 1). Subsequently, we intend to continuously pass the third-party verification and maintain system operations to build an environmental safety protection network and create a good environment and a safe and hygienic workplace.

In order to effectively manage and promote the environmental protection and occupational safety and health management system, the President of Concord Securities supervises and leads the whole bank to comply with relevant laws and regulations and international standards, and provides relevant resources to commit to the implementation of Concord Securities' environmental protection and occupational safety and health policy, and all departments fully cooperate and assign staff to form an environmental protection and occupational safety and health management system promotion team to continuously optimize the system in a PDCA cycle every year through internal and external issues, stakeholder needs and expectations, regulatory non-conformities, and risk assessments, we identify high-risk or significant opportunities to improve safety and health, and set measurable goals consistent with our environmental protection and occupational safety and health policy, emergency response drills, internal audits, and management reviews to create a safe and healthy working environment.

Note 1 The scope of internal and external audits or certifications for the ISO 45001 management system of Concord Securities' headquarters and branches includes the workplace area is B1, B2, part of 9th floor, part of 10th floor, part of 14th floor, and 15th floor, No. 176, Sec. 1, Keelung Road, Xinyi District, Taipei City. There were a total of 304 verification workers, accounting for 47% of the total employees of 646 persons (as of December 31, 2023).

Hazard identification, risk assessment and incident investigation

In order to effectively identify workplace hazards and promote workplace safety and health, Concord Securities uses the PDCA management cycle as the framework and the relevant laws and regulations of the Occupational Safety and Health Act as the base, each department assigned personnel through external lecturers for occupational safety and health hazard identification and risk opportunity assessment training courses to complete the assessment of personnel. The scope of identification is divided according to the authority and responsibility of each unit and the name of the operation/process. In addition to the planned and routine operations, the incidental events that are not planned and routine are also considered. Re-evaluate and update in the third quarter of each year or when the work and operating environment changes to understand the risk factors of hazards in the workplace. In order to prevent the possible occurrence of various procedures, activities, services, facilities, etc. that may cause injuries or accidents to internal and external personnel (including contractors), which may result in safety, health, and financial losses to personnel and stakeholders in the premises, the "Hazard Identification and Risk Assessment Management Regulations" are specified to continuously identify, assess, and control risks and minimize them through continuous hazard identification, risk assessment, and the adoption of appropriate prevention or implementation of necessary control measures.

In order to ensure that workers can follow appropriate handling methods to minimize injuries, Concord Securities has established "Accident Investigation and Handling Rules", which specifies the procedure for reporting and handling occupational hazards and dangerous conditions, through a complete investigation process so that the incident can be properly handled, and investigate and review the cause of the incident and prevention methods, and then incorporate it into the risk assessment process to re-evaluate the risk level, to recognize the hazard, assess the hazard and control the hazard, in order to reduce the hazard factor.

The occupational safety and health officers and nurses analyzed the issues of musculoskeletal injury (long-time computer work), visual fatigue (long-time computer work) and psychological stress (front-line work) as moderate risk and the issues of engineering construction work and electrical and mechanical equipment management work (risk of climbing and falling, electric shock, etc.) of the General Affairs Dept. as high risk in 2023, and then scheduled the courses related to the four major programs and requested the contractors to provide qualified safety and health related training materials for their work during the procurement, and informed the personnel of the work about the hazards before the work. Additionally, they conduct on-site inspections of projects during their operation, regularly evaluating and reviewing contractors' performance in terms of environmental safety and health.

5.3.2 Set up a special unit for occupational safety and health

The General Affairs Dept. of the Company is a specialized unit for occupational safety and health, and has a specialized officer for occupational safety and health, which has been reported to the competent authorities and approved by the Labor Inspection Office of Taipei City in accordance with the law.

Establishment of the environmental protection and occupational safety and health committee

In order to implement the management of environmental protection and occupational safety and health, Concord Securities established the "Environmental Protection and Occupational Safety and Health Committee" in accordance with the Occupational Safety and Health Management Regulations, with 1 chairman and 14 members, including 6 labor representatives (43%) elected by the labor-management meetings. Regular quarterly meetings are held to review and coordinate business related to occupational safety and health. In order to achieve internal consensus on the safety and health management system, and to establish a channel for internal employees, external contractors and relevant stakeholders to commit to and communicate with each other on safety and health management, we have established the "Consultation and Communication Practice" to ensure the rights and interests of internal and external stakeholders of our company, so that their opinions can be fully expressed.

Environmental protection and occupational safety and health related education and training

In order to ensure that our employees have the necessary skills to perform their duties and responsibilities in the area of occupational safety and health, Concord Securities has established the "Environmental Safety and Health Education and Training Management Regulations" to provide regular general safety and health education and training to our employees (including non-employee workers) to enhance their awareness of safety and health. In addition, in order to implement source management and control construction risks, the "Environmental Safety and Health Management Practice Guide for Contractors" requires that contractors should have environmental safety and health related licenses or safety and health training records when they enter the work site at the completion stage of procurement contracting, and hold safety and health hazard notification meetings before construction, and explain that in accordance with Article 18 of the Occupational Safety and Health Act, when there is an immediate risk of danger in all workplaces, the employer or the person in charge of the workplace should immediately order to stop the operation and make the workers retreat to a safe place, etc. to ensure the safety awareness of the employees.

Key promotion items:

In order to strengthen the colleagues' knowledge of disaster prevention and escape, we hold self-defense fire marshalling drills are held every six months and emergency evacuation and escape drills for the entire staff once a year to enhance fire-related awareness by practicing fire drills to maintain the safety of individuals and groups; we regularly conduct electrical safety checks, air conditioning equipment and monitoring system checks, and disinfection and cleaning of the workplace.

Education and training items	Year	2022	2023
	Total hours/hour	Total hours/hour	Total hours/hour
General safety and health education training		912	219
Firefighting, notification and evacuation training		594	454
Fire prevention management staff education and training		24	36
Occupational safety and health personnel		18	130
First Responder Personnel		18	3
Optional - Health Promotion (including themes on the Four Major Programs)		2,284.8	382

Note:

1. The total hours of education and training in 2022 was much higher than in 2023, which was mainly due to the requirement to provide at least 3 hours of on-the-job general safety and health education and training every three years for all employees of the Headquarters (302 people) as mandated by regulations in 2022.
2. In 2022, most of the elective courses on health promotion were offered online or through teleconferencing and available for branch employees. As a result, the number of training sessions and training hours of health-related education and training were significantly higher than those in other years. In 2023, these courses were resumed to be held only as planned in previous years.

Occupational safety and health licenses, number of valid license holders

Year	Occupational health management specialist	Occupational safety and health management personnel	Occupational safety and health affair managers	First responder personnel	Fire fighting management personnel	Total
2021	0 person	2 people	15 people	20 people	15 people	52 people
2022	0 person	1 people	18 people	21 people	16 people	56 people
2023	1 people	0 person	16 people	21 people	16 people	54 people

The Concord Securities headquarters and branch companies have occupational safety and health business supervisors, first aid personnel, or fire management personnel stationed on-site. They also participate in recurrent training courses regularly to continuously improve their occupational safety skills and strengthen the attention and awareness of all units to occupational safety. Concord Securities attaches great importance to the employee work environment and safety. The Company has conducted irregular work environment inspections with specialists from the Department of Occupational Medicine and continued to invest in the relevant improvement measures.

5.3.3 Labor-management consultation

The Company has always attached great importance to the harmony of labor-management relations and focused on improving the well-being of employees through various welfare measures, education, and training. The Company has also provided stock subscriptions or dividends to strengthen employee cohesion and achieve a win-win for employees and employers. The Company attaches great importance to the rights and interests of employees. It has established a special complaint line to assist employees in resolving operation problems, promoting communication between labor and management, preventing various labor problems, and respecting gender equality by eliminating gender discrimination.

Results of labor inspection:

- (I) Since June 2017, the Company has participated in the labor condition self-management inspection of public institutions organized by the Labor Inspection Office of Taipei and complied with the key inspection requirements every quarter.
- (II) Any losses suffered by the company in the most recent fiscal year: None.

5.3.4 Establishment of an Excellent, Safe and Healthy Working Environment

Concord Securities believes that employee work environment safety is critical. In addition to strengthening the elimination of office environment hazard factors, in order to implement the environmental protection and safety and health of the workplace, the Company selects and trains employees to obtain the qualification of fire prevention manager, first aid personnel and occupational safety and health business supervisor. A fire protection plan for each workplace is formulated according to the law to maintain office environment safety. In addition, the workplaces at both the Headquarters and Branches are insured with public accident liability insurance and commercial fire insurance to protect the rights and interests of customers and employer accident liability insurance to protect the rights and interests of employees. The Company has commissioned professional companies to conduct building safety inspections regularly every two years in accordance with the Regulations for Inspecting and Reporting Buildings' Public Safety, and has obtained Public Safety Building Inspection Certification of Approval marks. The various electromechanical or fire-fighting equipment (such as fire alarms or fire extinguishers) are outsourced for regular maintenance and fire-fighting equipment safety inspections every year according to the provisions provided by the Fire Services Act, and reports are made to the competent authority. All business premises are completely non-smoking in accordance with the regulations, and cleaners are employed to clean the office environment, and the office floor is cleaned regularly to ensure a neat and hygienic working environment; In addition, in order to provide a safe and healthy workplace for employees, a central air conditioning system and adequate lighting are installed in the office, and in accordance with the provisions of Regulations for Implementation of Workplace Environmental Monitoring, an operating environment monitoring organization approved by the central authority is appointed to test the carbon dioxide concentration and illumination level of the workplace of the headquarters. Additionally, an automatic inspection plan is implemented to proactively identify unsafe environments, machinery, equipment, and behaviors in the workplace. Preventive measures are adopted to prevent the occurrence of occupational disasters and to protect the safety and health of workers. To prevent human-caused hazards, all office chairs have been replaced with ergonomic chairs. These chairs effectively reduce physical fatigue resulting from long periods of sitting, alleviate pressure on the spine, buttocks, arms, and other body parts. This replacement not only enhances employee efficiency and quality but also provides a comfortable and suitable workspace. The annual procurement of ergonomic chairs totaled \$776,700 in 2022 and \$1,128,950 in 2023.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

5.3.5 Occupational Health and Injuries

In the past three years, there have been no work-related fatalities and no occupational disasters (including non-employees) for Concord Securities. In addition, for false alarm incidents, the person who occurred or witnessed the incident should inform the supervisor verbally in advance and fill out the "Incident Investigation (including False Alarm) Report Form" and submit it to the General Affairs Dept. for filing and promoting that no false alarm incidents occurred in 2023. If there is any accident, it will be reported and potential hazards will be reviewed and improved to prevent injuries from occurring. There were no occupational diseases related to the Company's duties in 2023.

Year	2021	2022	2023
Disabling frequency rate (FR)	0	0	0
Disabling severity rate (SR)	0	0	0
Occupational disease rate	0	0	0
Total damage index	0	0	0

Note: Description of the calculation formula

1. Disabling frequency rate (FR) = Annual number of disabled and injured persons/total hours worked *106
2. Disabling severity rate (SR) = Annual number of days lost/total hours worked*106
3. Occupational disease rate = (Number of occupational diseases/total hours experienced)*106
4. Total damage index= $\sqrt{FR \times SR / 1000}$

Appoint Contracted Doctors and Nurses

Concord Securities has employed special occupational medicine specialists and nurses to ensure employee health. In June 2019, the Company set up the "Health Supply Station" infirmary and the online platform to promote 4 major projects: maternal health protection, human-induced hazard prevention, prevention of unlawful violations in the performance of duties, and abnormal workload disease prevention. The Company also irregularly provides health care information and health consultation services for the major diseases and top ten health anomalies suffered by employees to remind employees to pay attention to their health. In 2023, the total number of on-site services of contracted doctors providing labor health services was 29; the total number of nurse practitioner services was 91. According to the annual plan, the nursing staff published 10 health columns with "Vision Care," "Healthy Diet," and "Prevention Against Epidemic" as the core, hoping to promote relevant knowledge through the health columns, so that the staff can implement personal health management to achieve the purpose of health promotion.

Honored as one of the top 10% of outstanding companies in each industry in the Corporate Sustainability Report Open Occupational Health and Safety Indicators Active Rating organized by the Occupational Safety and Health Administration, Ministry of Labor.

In 2023, Concord Securities was recognized as an Outstanding Enterprise among TPEX-listed Companies in the financial sector, distinguishing itself from 633 other companies as the only TPEX-listed company in the financial sector to receive this award. This recognition underscores our achievements and dedication to promoting occupational health and safety. During the same year, we achieved certification for ISO 45001 and ISO 14001. The President formulated environmental safety and health policies and goals aimed at identifying and eliminating hazards, as well as providing a safe workplace. Additionally, we invited suppliers to conduct self-assessments of their health and safety performance and establish a co-prosperous industrial chain of safety and health.

Won the Healthy Workplace "Health Promotion Badge" Accreditation Issued by the Health Promotion Administration, Ministry of Health and Welfare

Concord Securities was awarded the "Health Initiation Badge" in 2017 and was further awarded the "Health Promotion Badge," the highest health certification honor, in 2021. The certification extension was granted in 2023 for a validity period from January 1, 2024 to December 31, 2026. These honors showcase Concord Securities' determination and efforts in strengthening employee care. Concord Securities has actively constructed a healthy workplace to promote the concept of health management and encourage employees to develop good exercise habits and lifestyles. The Company has also continued to promote employee walkathons, healthy eating and exercise ethos through lottery events, and promoting trends of exercising to help colleagues maintain a healthy body, create a healthy workplace atmosphere, and reduce social and medical resources expenditure. The

"Health Promotion and Disease Prevention Promotion Event," "Construct a Safe and Healthy Work Environment," "Health Consultation Service," "Regular Health Exams," "Employee Welfare Committee Providing Full Benefits," "Employee Group Insurance Handling," and "Fulfilling Corporate Social Responsibility" projects of the Company have achieved outstanding results.

Awarded the Sport Enterprise Certification organized by the Sports Administration, Ministry of Education

In 2023, Concord Securities was awarded the 8th "Sport Enterprise Certification" for the first time, evidencing our successful promotion of sports internally and implementation of employee healthcare. Concord Securities has long been dedicated to the health promotion of employees. To foster a culture of sports among employees, we actively participate in the sports events organized by securities peripheral institutions, such as the "Securities Cup Table Tennis Tournament" and "Securities and Futures Cup Golf Tournament." The headquarters building is also equipped with a leisure activity center that provides various sports equipment to enhance the convenience of exercising for employees, creates a favorable environment, and helps employees develop the habit of exercising. The Company also organizes sports competitions and health lectures from time to time to promote the benefits of sports. In 2023, we held a monthly walking lottery event that lasted until 2024. The six-month-long event further demonstrates the Company's sustainable business philosophy of valuing employee health.

Employee Health Exam

Concord Securities provides free employee health exams (free annual health checkup for employees over 65 years old) on a regular basis. In addition to the basic health exam items required by laws and regulations, the Company also provides exam items superior to those required by law, such as ultrasound and cancer screening. The Company files and tracks health exam reports, provides such reports to employees, and offers on-site physician health consultation and tracking for employees with physical abnormalities. We also irregularly organize nutrition and weight loss classes and competitions to promote employees' physical and mental health and have set up an employee leisure sports center on the B2 floor of the headquarters to offer a variety of sports equipment and a KTV room. The goal is to promote sports and leisure activities to create a good work environment.

Employee Health Consultation Status

Year	Hospital	Consultation sessions
2021	Cardinal Tien Hospital Contracted Doctor	3
2022	Taipei Medical University Hospital Contracted Doctor	3
2023	Cardinal Tien Hospital Contracted Doctor	4

Employee Health Seminar Organization Status

Year	Topic	Instructor
2023	Eye-protective Diet (Including online)	Nutritionist
	Workplace Burnout Prevention and Self-Care	Counseling psychologist
	Teaching of Automated External Defibrillation (AED)	Basic Life Support Instructor

In 2023, health activity courses were held for 258 employees, with a total of 382 hours for an average of 0.59 hours per person.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Health Measures

Measures and Plans	Content
Conduct Employee Health Exams	<ul style="list-style-type: none"> ◆ Conduct full employee health exams regularly and provide health exam items that are superior to those required by regulations. ◆ Analyze the employee health status according to the employee health exam results and organize health promotion activities. The goal is to provide health-category management, arrange on-site physician services to provide care, and track the health of employees with high potential health risks.
Conduct Health Promotion Activities	<ul style="list-style-type: none"> ◆ Provide irregular employee health care information promotion, lectures, and activities.
Employee Physical and Mental Health Management Measures	<ul style="list-style-type: none"> ◆ The Company's internal website – The health supply station provides a "mood thermometer" questionnaire to understand employees' emotional distress levels instantly and refer them to mental health services in a timely manner according to their needs. ◆ The health exam provides the "Overwork Scale" and "Musculoskeletal Symptom Questionnaire" to help understand the physical and mental condition of employees. ◆ Pregnant and breastfeeding employees can fill in the health self-assessment questionnaire. The Company can identify the employee health risks and conditions based on the questionnaire and health examination data and arrange health consultations with doctors for medium and high-risk groups.
Implement a Flexible Working System	<ul style="list-style-type: none"> ◆ In light of the traffic conditions for employees to travel to work, each unit of the head office has implemented a ten-minute flexible work schedule. ◆ Employees may apply for work hour or office location adjustments due to personal family circumstances or family care.
Provide paid vaccine leave	<ul style="list-style-type: none"> ◆ Starting from 2021, we introduced paid "vaccine leave" to encourage employees to get vaccinated against COVID-19 and reduce the rate of severe illness after infection. The vaccination rates for all the three doses of the Company's employees were higher than the national vaccination coverage at that time, showcasing the excellent achievement of our paid vaccine leave. ◆ To foster employee healthcare, the application criteria for "vaccination leave" were relaxed in 2023. Employees are able to flexibly use this leave to receive other types of vaccines (not just limited to COVID-19), hoping to significantly increase the benefits of the vaccine leave. In this year, 63 individuals used it for a total of 421 hours.
Establish a Healthy Workplace Environment	<ul style="list-style-type: none"> ◆ Replace all office chairs at the headquarters with ergonomic chairs to improve and prevent ergonomic hazards caused by poor sitting posture. ◆ Set up an additional weight measurement station in the headquarters building, allowing colleagues to measure their weight and body fat on their own. A body fat percentage chart is also posted to encourage employees to pay attention to personal health and cultivate the habit of self-health management. ◆ In order to take care of disadvantaged groups and implement a friendly workplace and employee care, visually impaired masseuses are hired to provide massage services at the headquarters to relieve employees' work fatigue and enhance their well-being.

Employee injury leave status

Gender	Male	Female
Items		
Number of work injuries	0	0
Injury leave days	0	0
Work injury rate	0%	0%
Ratio of lost days	0%	0%
Occupational disease rate	0%	0%
Number of employees on sick leave	120	185
Number of days of sick leave	460	918
Number of employees on menstrual leave	0	57
Number of days of menstrual leave	0	115
Absence rate	0.56%	0.86%

Note:

1. Work leave is defined by Article 6 of Regulations of Leave-Taking of Workers as "In the event of disability, injury, or sickness on account of an occupational accident, a worker shall be entitled to occupational sickness leave during the period of medical treatment or recovery."
2. Work injury rate: the number of people on work injury leave/total number of workers per gender.
3. Ratio of lost days = public injury leave days / (total number of employees by gender * actual working days).
4. Absence rate = percentage of actual absent days to work days in the same period. Absence days = sick leave + public injury leave + menstrual leave; Number of working days = number of working days (not deducting special leave) = total number of employees by gender * actual number of working days.



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

5.4 Compensation, benefits, and employee care

5.4.1 Employee remuneration policy

Concord Securities insists on hiring talent and adheres to the principle of rewarding outstanding performers, and has constructed a comprehensive set of appointment and compensation management system. Salary is based on objective conditions such as each employee's academic experience and job position, and gender does not make any difference. Through a complete probationary appraisal system and performance appraisal system, we implement project promotion and salary adjustment every year, and if there is any special contribution or excellent performance, we will give merit awards and hold awards irregularly.

The Company has a salary scale for job titles based on job standards, which is better than the lowest basic salary standard of the Labor Standards Law. In order to attract talented people to join us, we uphold the principle of sharing with employees.

■ Remuneration policy and objectives

1. Basic salary:

Starting salary for new employees is set based on job content, work qualifications, academic qualifications, and license qualifications. Those with securities-related backgrounds are provided with generous and competitive salaries.

2. Meal allowance:

NT\$2,400 per person per month. (The amount will be adjusted to NT\$3,000 per person per month starting from February 1, 2024.)

3. Overtime pay:

Overtime pay or compensatory time off will be given according to the number of hours of overtime work performed by employees. Overtime pay will be granted for any unused compensatory time off at the end of the year in accordance with the law.

4. Performance bonuses:

Various business bonus methods are established according to the "Principles Provided by the Remuneration System". The goal is to inspire business colleagues to generate income and provide diversification bonuses according to the performance achievement status.

5. Appraisal bonus:

To reward work performance achievements, we have established the "Employee Annual Appraisal Bonus Scheme." Annual appraisal bonuses (about 1~2 months per year on average) are issued based on employee performance appraisal, business contribution, merit and demerit rewards and punishments, and other performances at the end of the year.

6. Performance bonus:

To share the Company's annual operating results, the "Annual Bonus Allocation Criteria" and the method of releasing each performance bonus are established, and the amount is determined based on the Company's profitability and achievement of organizational goals, and then employees participate in the annual performance bonus allocation based on their performance and contribution.

7. Employee remuneration:

According to the "Company's Articles of Incorporation," the Company shall allocate 1% to 3% of its annual profits to employee compensation and distribute them in accordance with the employee compensation distribution method in order to implement the concept of profit sharing. This allocation shall be approved by the Board of Directors with authorization from the shareholders' meeting.

8. Salary adjustment and promotion:

To retain talents, we regularly perform performance appraisal every year, and make reference to the current year's price level, employees' performance and the Company operation results, etc., to handle employees' salary adjustment or job promotion.

9. Competition bonus:

Organize various competition activities and provide a diversified incentive system to reward employees for excellent performance.

10. Festival bonuses:

A fixed amount of festival bonuses is issued every year at the Dragon Boat Festival and Mid-Autumn Festival.

■ Retirement System

To promote employee welfare and stabilize the life of employees after retirement, the Company has formulated the "Employee Retirement Pension Method" and established the Employee Retirement Pension Management Committee in April 1996 in accordance with the Method. 2% to 15% of employees' total monthly salary is deposited into the Yuanta Bank special employee retirement pension account.

After the "Labor Standards Act" went into effect in March 1998, the Company established the Labor Retirement Reserve Supervision Committee in accordance with the law. The retirement reserve is withdrawn monthly according to the actuary's actuarial pension withdrawal ratio and deposited into the Bank of Taiwan's labor pension account. As of December 31, 2023, the fair value of assets provided by the Company for the pension liabilities of the Old Fund amounted to NT\$219,173 thousand.

The government implemented the "Labor Pension Act" in July 2005. For employees who opted for the new system and for those hired by the Company on or after July 1, 2005, the Company allocates 6% of the pension to the individual pension account of the Labor Insurance Bureau every month according to the employees' insured salary in order to conform with government policies.

Insurance Plan

Employees are insured with labor insurance, national health insurance, and occupational accident insurance.

To enable colleagues to work with peace of mind, each of our colleagues is insured with high-rated life insurance, accident insurance, critical illness insurance, and medical insurance. We also provide the most immediate and proper protection or claims for colleagues in need through insurance companies.

■ Employee Benefits

1. Employee shareholding trust:

In order to safeguard the welfare of employees and to assist them to save and accumulate wealth in the long term so as to secure a stable life after retirement or leaving the company in the future, an employee stock ownership trust was established in August 2022, and a subsidy was provided to purchase the Company's shares in accordance with the respective employee's job grade and position.

2. Childcare discounts:

The Company offers special childcare discounts to take care of employees' childcare needs.

3. Special store discounts:

The Company offers discounts on shopping, dining, travel, accommodations, etc.

4. Welfare Committee subsidies:

Various subsidies from the Welfare Committee such as birthday coupons, children's education scholarships, as well as childbirth allowance, wedding, funeral, and emergency subsidies.

5. Health supply station:

It offers various health promotion policy announcements, health columns, nurse practitioners, and special physician appointment platforms.

6. Travel subsidies:

Provide employee travel subsidies and regular employee health checks.

7. Participation in public welfare:

The Company has established public welfare leave measures to encourage colleagues to participate in public welfare activities organized by public welfare or charitable organizations or groups.

8. Continuing learning:

Encourage employees to participate in courses administered by external agencies and provide education and training fund subsidies.

9. Regular pension contributions:

Employees are encouraged to voluntarily contribute to the regular monthly pension to improve retirement life quality in old age.

10. Leisure sports:

The head office has a leisure sports fitness center, a KTV lounge, a library reading room etc. They are designed to improve employees' physical and mental well-being.

11. Maternity protection:

To take care of female employees, there are nursing rooms and changing rooms, and the Company cooperates with childcare centers to provide convenience for childcare.

12. Massage provided by visually impaired individuals:

To implement a friendly workplace and take care of disadvantaged groups, massage services provided by visually impaired individuals are available at the headquarters, providing colleagues with a moderate relaxation to promote physical and mental health and improve work efficiency.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Employee Benefits and Remuneration Statistics

Salary expenses of the Company are employees' salaries for the current year accrued on an accrual basis. They include salaries, various allowances and bonuses, overtime pay, and employee remuneration; but exclude retirement pensions. In 2022, the decrease in bonuses was caused by poor company profits and a decrease in performance bonuses for business colleagues was caused by the shrinkage of shares market trading volume. Therefore, the average salary expenses decreased. The median annual total salary of the natural person with the highest salary in 2023 is 7.9 times of that of other employees (excluding the person with the highest salary). The median of the growth ratio of annual total salary of the natural person with the highest salary in 2023 is 25.4 times of that of other employees (excluding the person with the highest salary).

Employee rights

The Company has strengthened communication with employees to create a professional work environment to provide customers with high-quality services. An employee training plan is drawn up every year, supplemented by regular evaluations. Employees who are behind in assessment and ratings are scheduled to receive counseling and improvement. The counseling improvement plan is implemented to assist such employees in making performance improvements and job adjustments. If there is no suitable position available or the improvement standard fails to reach the standard after the expiration of the agreed deadline, severance shall be given according to the provisions of the "Labor Standards Act".

In case of closures, transfers, business losses or crunches, changes in business nature, or when an employee is truly incompetent for the job position, the employee's labor contract shall be terminated, and severance shall be paid according to the law. To help such an employee find another job, the employee shall be provided with job-seeking leave according to the statutory notice period, and the competent local authorities and public employment service agencies shall be notified according to the Employment Service Act to assist and guide the employee's reemployment. Advance notice shall be provided according to the law as follows:

10-day prior notice for those who have worked continuously for over three months but less than one year.

20-day prior notice for those who have worked continuously for over one year but less than three years.

30-day prior notice for those who have worked continuously for over three years.

5.4.2 Diversity and Inclusion

Pay Ratio According to Gender

Salaries for non-supervisory positions Male:Female	1.06:1
--	--------

Note:

- This table was made with reference to the "Salary Information of Non-supervisory Full-time Employees" reported by the Taipei Exchange and Article 4 of the "Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies."
- Salary expenses are employees' salaries for the current year accrued on an accrual basis. They include salaries, various allowances and bonuses, overtime pay, and employee remuneration; but exclude retirement pensions.
- "Full-time employees" are defined as those whose working hours reach the normal working hours or legal working hours stipulated by the Company according to the Directorate-General of Budget, Accounting and Statistics' definition. Any other employees are considered "part-time employees."
- "Full-time non-supervisory employees" refers to the number of full-time employees in the Company after subtracting the supervisor positions, part-time positions, overseas branch employees, and those eligible for exemption from statistics from all employees. "Employees in supervisory positions" are within the scope of "managers" according to decree Tai-Cai-Zheng-San-Zi No. 920001301 issued by the Taiwan Stock Exchange on March 27, 2003.

Ratio of average salary to basic salary for new colleagues

Average salary for women: current base salary	1.57:1
Average salary for men: current base salary	1.79:1

Note: The basic salary for 2023 was NT\$26,400.

Colleagues with Physical and Mental Disabilities

The Company believes that each employee has their own unique abilities, and hiring individuals with physical and mental disabilities can contribute to the overall society and move the Company towards a more inclusive and equal direction. The colleagues with physical and mental disabilities hired by the Company are as follows:

Number of people hired	Female	Male	Total
2021	3	4	7
2022	3	3	6
2023	4	3	7

Note: Information as at the end of the current year.

Group's unpaid parental leave status

Items	Male	Female	Total
Number of eligible employees for parental leave in 2023	18	17	35
Actual number of applications for parental leave in 2023	0	2	2
2023 estimated number of returnees (A)	1	5	6
2023 actual number of returnees (B)	1	3	4
2022 actual number of returnees (C)	2	0	2
Number of people who returned in 2022 and are still employed 12 months after reinstatement (D)	1	0	1
Reinstatement rate (B/A)	100%	60%	67%
Retention rate (D/C)	50%	-	50%

※ Number count of eligible employees for parental leave:

According to Paragraph 1, Article 16 of the Gender Equality in Work Law:

After serving for six months and before each child reaches the age of three, the employee shall apply for a suspension of pay for childcare and retention until the child reaches the age of three, but not exceeding two years. For those who raise two or more children at the same time, the period of parental leave without pay shall be calculated together, with a maximum of two years for the youngest child to be raised.



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

5.4.3 Human Rights Policies

In order to uphold the basic human rights of employees and create a fully protected environment for human rights, the Company recognizes and supports various international human rights conventions such as the United Nations Universal Declaration of Human Rights, the Global Covenant, and the International Labor Organization Convention. And the Company requires cooperative manufacturers to operate activities, eliminate any violations or violations of human rights, and ensure that both internal and external members of the Company can receive fair and dignified treatment. The Company formulated the "Human Rights Policy of Concord Securities Co., Ltd." on April 14, 2022, which was approved by the Board of Directors to implement a policy dedicated to safeguarding and protecting basic human rights, including respecting workplace human rights, implementing equal pay for equal work, providing employees with a healthy and safe workplace, supporting labor negotiation and the freedom of association of colleagues, observing personal data protection, implementing information security and other projects. All human resources management and salary policies also have no differential treatment in terms of gender, race, class, age, marriage and family status, so as to implement the equality and fairness of employment, employment conditions, salary, welfare, training, assessment and promotion opportunities.

Education and Training on Relevant Issues

Course	Number of People	Total Hours
Personal Data Protection	643	643
Occupational Safety and Health-Related Lectures	606	1224
Training on Financial Consumer Protection Act	651	1955
Training on information security	1442	2301
Total	3342	6123

Note: In 2023, every employee participated in education and training on human rights issues with an average of 9.52 hours of training per person.

Flexible working

In response to the individual needs of employees, the Company provides flexible working measures, including "flexible working hours and work location," and the Company also provides preferential leave. Considering the fact that there is no transaction in the securities market after the closing date during the Spring Festival each year, the "prolonged Spring Festival holiday" is provided for all employees. This initiative allows employees to take a day off before the Spring Festival and leave early on the last working day before the holiday to avoid the heavy traffic congestion when they get off work. To encourage employees to get vaccinated against COVID-19 and other key adult vaccines promoted by the Health Promotion Administration of the Ministry of Health and Welfare to prevent the disease and reduce the rate of severe illness after infection, we provide employees with "paid vaccine leave."

Nursing Room Establishment

To encourage female colleagues to breastfeed, Concord Securities has established a complete breastfeeding room in the headquarters' B2 lounge for colleagues to use.

5.4.4 Employee Welfare Committee

Concord Securities allocates 1% of its total operating income to the Company's Employee Welfare Committee every month for the committee to provide employees with travel subsidies every year. In 2023, NT\$2,264,536 in employee benefits was provided.

1. Concord Fellowship Hall provided by the Employee Welfare Committee

The Concord Fellowship Hall is equipped with fitness equipment, basketball shooting machines, pool tables, table tennis tables, KTV audio-visual equipment, and the most popular 3D virtual reality game equipment. Employees can also dine and watch TV programs in the sofa area of the Fellowship Hall, providing a place for employees to strengthen their friendship with colleagues and relax their minds and bodies.

To encourage breastfeeding among female employees, there are nursing rooms in the Fellowship Hall, providing mothers with a comfortable nursing space. The nursing room is a private space equipped with sofas, tables, small refrigerators, power sockets, garbage cans, and antibacterial hand soap. The rooms are designed according to breastfeeding and breast milk collection room standards to create a friendly breastfeeding workplace.

2. Birthday parties held by the Employee Welfare Committee

We welcome recruits and hold birthday celebrations for birthday stars every month. The welcoming process enables newcomers to introduce themselves and reduce their navigation time. The different activity themes also allow everyone to interact and sing together to wish the birthday star a happy birthday. Although each gathering only lasts for an hour, these events can enhance employee morale and cohesion, and Chairperson, President, or senior executives present birthday e-gift certificates to let colleagues feel the Company's appreciation of their contributions.

3. Childcare-Friendly Environment/Children Nurturing Scholarship

The Company's Welfare Committee regularly contracts with childcare institutions to provide employees with convenient and preferential childcare institutions options. In addition, we also provide birth subsidies and education scholarships for employees' children.

Children are the future of the country. To cultivate the next generation, Concord Securities has taken action to help the children of employees to perform well. Concord's welfare committee provides scholarships to encourage and reward employees' children every year and bring a positive impact to their studies and moral character. The goal is to inspire employees' children to learn and grow happily through reward subsidies and create a better future for the children!

"Children Nurturing Scholarship" Statistics Table

Year	Semester	Number of people	Total amount
2021	2020 academic year	226 people	NT\$464,000
2022	2021 academic year	229 persons	NT\$480,000
2023	2022 academic year	201 people	NT\$405,000

CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

3. Sustainable
Governance

4. Sustainable Finance

5. Happy Workplace

**6. Environmental
Sustainability**

7. Social Co-prosperity

8. Appendix

6. Environmental Sustainability

6.1 Climate change management

6.2 Sustainable resource
management

6.3 Green procurement and
supplier management



6. Environmental Sustainability



- ◆ Passed ISO 14064-1: 2018 Greenhouse Gas Inventories verification
- ◆ Passed ISO 14001: 2015 Environmental Management System verification
- ◆ In 2023, the Company delivered a total of 1,051 vegetarian meal boxes, resulting in a reduction of approximately 0.7988 metric tons of CO₂e.



CONTENTS

- About this Report
- Message from the Chairperson
- 2023 Key Sustainability Performance
- 1. About Concord
- 2. Sustainability strategy and commitment
- 3. Sustainable Governance
- 4. Sustainable Finance
- 5. Happy Workplace
- 6. Environmental Sustainability**
- 7. Social Co-prosperity
- 8. Appendix



6.1 Climate change management

Concord Securities attaches great importance to the operational impact of Climate change, while paying attention to development opportunities, strengthening corporate social responsibility and sustainable governance. Concord Securities refers to the Task Force on Climate-Related Financial Disclosures (TCFD) framework, based on the four dimensions of governance, strategy, risk management, indicators and targets, to address the issue of climate change, thus identifying risks and opportunities, and proposing measures, plans and targets to disclose climate governance information, improve information transparency, and promote global sustainable development.

6.1.1 Governance Structure

In 2022, the board of directors of Concord Securities, serving as the highest governance unit for climate-related issues, established the "Sustainable Development Committee." This committee is responsible for overseeing issues related to climate changes and promoting Concord Securities' overall climate strategies and policies. The climate risks are managed under the leadership of the "Risk Management Committee," which was established by Concord Securities in April 2003 in response to risks and opportunities arising from climate change. Within the Sustainable Development Committee, the Chairperson serves as the chair, the President serves as the vice chair, and each group's convener is composed of ex officio members. The Committee holds regular meetings and reports to the Board. Its main duties include formulating, monitoring performance, and reviewing strategies, annual plans, and projects related to Environmental, Social (human rights), and Governance (ESG) issues pertinent to sustainable development. In addition to integrating climate issues into corporate governance and business strategy, a commitment to combating climate change is also included to ensure the stable operation of Concord Securities. The Risk Management Committee consists of 3 to 7 members appointed by the board of directors. Its primary responsibilities include formulating the risk management policy, structures, and measurement standards, fully grasping the Company's short-, medium-, and long-term business risks, and supervising their implementation. These efforts aim to enhance operational performance and strengthen Concord Securities' competitive advantages.

Supervision by the Board of Directors

- ◆ The board of directors of the Company is the highest governance unit for climate-related issues, and has set up a "Risk Management Committee" to supervise climate change-related issues.
- ◆ The Company has incorporated "Climate Risk" into the "Risk Management Policy" to improve the climate-related risk management mechanism.

Actions taken by managers

- ◆ The "Sustainable Development Committee" is chaired by the chairman of the board of directors, and is functionally grouped. The "Environmental Sustainability Team" promotes the implementation and management of climate action, and the "Responsible Investment Team" is responsible for green finance and responsible investment for sustainable development.
- ◆ The Sustainable Development Committee holds a quarterly meeting to review the implementation plan and results related to climate risk.

Actions taken by Risk Management Committee

- ◆ The "Risk Management Committee" consists of five board members, and is responsible for supervising and guiding the implementation of climate risk management and deliberating relevant proposals on climate risk management.
- ◆ The risk management office is responsible for formulating the identification, measurement and management processes of climate-related risks and opportunities, and integrating them into the existing risk management framework.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

6.1.2 Strategies

■ Climate/nature-related risks and opportunities

Based on the nature of its main business, Concord Securities evaluates its overall environmental policy, covering aspects of climate change risks, energy transition opportunities, and social risks and opportunities, which are described as follows:

1. Climate change risks

- Extreme weather events: Climate change may lead to an increase in extreme weather events, such as typhoons, floods, landslides, etc., which may cause direct losses to or indirect impacts on the target companies in the investment portfolio of Concordia Securities' main business.
- Legal risk: The government may implement stricter climate-related regulations, such as carbon emission limits or environmental protection regulations, which may influence the business model and profitability of the industry in which the target companies operate.

2. Energy transition opportunities

- Investment in renewable energy: As the global demand for renewable energy increases, companies heavily investing in renewable energy, such as solar and wind power, will influence future decision-making regarding the planning and utilization of energy resources. This trend may prompt Concord Securities or its target companies to further consider the possible economic costs and compensation effects when adopting alternative energy sources.
- Carbon reduction technology innovation: Companies investing in carbon reduction technologies, such as carbon capture and storage, hydrogen energy, etc., may seize the opportunities early or even gain competitive advantages in the future carbon emissions market.

3. Social risks and opportunities

- Impacts of climate event: Climate change may impose impacts on communities located in certain countries. For example, sea-level rise in areas adjacent to the sea or relatively close to the sea may result in community relocation and alter the scope and delivery method of related business services, thereby imposing impacts.
- Increased climate awareness: Society's heightened attention to climate change may present a challenge for decision-making management. Behaviors deemed inconsistent with social values may face boycotts from customers or even investors, potentially impacting the company's reputation and brand value.

■ Climate strategy

Through meetings of the Sustainable Development Committee and related task groups, Concord Securities regularly reviews the linkage to the management objectives of climate-related risks and opportunities for the relevant internal regulations and mechanisms. Concord Securities currently conducts regular assessments of the direct and indirect impacts of climate change on its finance, strategies, operations, and products. Furthermore, the Company identifies the linkages between climate risk and credit risk, market risk, liquidity risk, and operational risk. It also establishes a climate risk assessment and management mechanism to disclose climate risk-related information. In addition, adhering to the environmental policy, climate policy, or ESG policy, Concord Securities also considers the impacts of its operating activities on climate change, as well as the (climate) transition risks and (climate) physical risks the company faces.

Concord Securities operates within the securities industry. Within securities-related business, climate-related and nature-related risks may not appear directly related to the Company's business scope, they still pose potential impacts. Meetings of the Sustainable Development Committee and its subordinate groups will be scheduled for the following aspects based on the environmental and strategic needs to meet the public's expectations of Concord Securities.

1. Climate-related financial products

Explore the development of climate-related financial products, such as climate indexes, carbon credit securitization and their trading. These financial products can serve as investment or risk management tools, and can also foster the response and mitigation of climate change.

2. Investment in green finance

Encourage and promote green financial investment, such as investing in renewable energy companies and environmental protection technology companies, to support climate-friendly companies and their industrial development. This effort can not only bring a stable supply of capital to the investment portfolio but also have a positive impact on the environment.

3. Climate risk assessment and integration

With climate risk integrated into the risk management framework, we use climate models and climate data for risk assessment and stress testing to ensure that the Company has a clear understanding of the risks of climate change and natural disasters and takes corresponding risk management measures.

4. Application of innovative technology

Use innovative technologies, such as big data analysis and artificial intelligence, to monitor and predict the impacts of climate change and natural disasters, as well as evaluate the potential risks of investment portfolios and business operations, so as to timely adjust risk management strategies and investment portfolio allocation.

5. Environmental, social, and governance (ESG) integration

Concord Securities considers environmental, social (human rights), and governance factors in investment decision-making and business operations, and formulates corresponding ESG policies and indicators to ensure consistency with the climate-related and nature-related risks and opportunities of its business, thereby promoting sustainability and social responsibility of its operations.

Additional costs for the Company to address the climate risks and opportunities:

In 2023, financial costs invested by Concord Securities to address climate-related risks and opportunities mainly included green procurement, electricity conservation plans, ISO GHG inventory counseling and verification fees, TCFD consultancy, etc.

The impact, financial impact and response strategies of major climate risk events identified by the Company.

Physical Risks

Physical Risks

- Damage to business locations or equipment
- Uninterrupted Operations

Potential financial impact

- Increased operating costs
- Decreased revenue

Other related risks

Operational Risk

Occurrence period

Long term

Response strategies and adjustment measures

- Insure comprehensive commercial fire insurance for 16 business locations of the head office and branch every year, covering typhoon and flood accidents.
- Establish off-site backup system for important information equipment.
- Identified as an operating location in high-risk areas, and waterproof facilities and flood drainage pipes are strengthened.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Transition Risks (policies and regulations)

Physical Risks

- In response to regulatory requirements, actions related to carbon reduction must be increased
- The investment target company or the clients it counsels will increase their operating costs due to the change of energy laws or the levy of carbon fees/ rights, which will affect their profitability

Potential financial impact

- Increased operating costs
- Decreased revenue

Other related risks

- Operational Risk
- Market Risk
- Credit Risk

Occurrence period

- Short term
- Medium term

Response strategies and adjustment measures

- ISO 14064 -1 greenhouse gas inventory was introduced in 2022 and completed in 2023.
- The verification of 14001+ISO 45001 environmental+occupational safety and health management system was completed in 2022.
- Continue to promote digitized business process administrative forms, purchase products with environmentally-friendly marks, and replace old energy-consuming equipment year by year.
- In 2020, the "Responsible Investment Management Measures" was formulated to introduce responsible investment into the investment policy. For details, please refer to Chapter 4.1 Sustainable Responsible Investment of this report.
- Strengthen the energy-saving awareness of all employees.

Note: Occurrence period: short-term refers to 1 year, medium-term refers to 1-3 years and long-term refers to more than 3 years.

Description of opportunities related to climate risks identified by the Company:

Opportunity items	Opportunity description	Potential opportunity impact	Impact business scope
Product & Services	<ul style="list-style-type: none"> ■ Provide guidance to customers on relevant technology and industry development trends for net zero transformation ■ Reduce potential operational risks to customers and exposure to climate-related risks or assist them in identifying climate-related opportunities. ■ Expand the proportion of investment in renewable energy and green industry, increase business opportunities. 	<ul style="list-style-type: none"> ■ Increased revenue 	<ul style="list-style-type: none"> ■ Underwriting business ■ Proprietary trading business

Management focus and key actions corresponding to climate/nature-related issues

When considering the direct impact of existing business activities on climate change, Concord Securities intends to focus its management on:

1. Asset value risk:

All types of assets held by Concord Securities for the business it undertakes and conducts in accordance with the Regulations Governing Securities Firms and relevant regulations include real estate or securities (e.g. stocks, bonds, etc.). Climate change may have a direct impact on the value of such assets. For example, sea-level rise may cause changes in the value of real estate properties near the sea, and extreme weather events may have a negative impact on the operations of target companies, which in turn affects the value of their securities.

2. Legal and regulatory risks:

With the increasing focus on climate change issues, the government and regulatory agencies may strengthen the supervision and regulation concerning climate-related risks. The services provided by Concord Securities are highly regulated by the competent authorities and required for compliance. Therefore, we should closely monitor the changes in relevant laws and regulations to ensure that its business activities comply with relevant laws and regulatory requirements, and to avoid risks of possible fines and litigation arising from the supervision of the competent authorities.

3. Reputation risk:

Concord Securities is committed to providing a safe and stable trading experience. However, extreme weather events may increase difficulties in service provision and transaction execution. Among extreme climates, our reputation may be affected by our performance in addressing climate change. If we ignore the risks and impacts of climate change or fail to address relevant risks effectively, it may lead to a crisis of trust among customers, investors, and stakeholders, subsequently affecting our business development and market reputation.

To address the above risks, Concord Securities intends to take the following measures:

1. Risk assessment and monitoring:

Regularly assess and monitor the direct impact of climate change on the business of Concord Securities, including asset values, market risk, legal and regulatory risks, etc., and formulate corresponding risk management strategies.

2. Diversification of investment

Diversify investment portfolios to diversify risks and reduce exposure to climate change. For instance, the assets of the investment portfolio are diversified into different regions, different industries, and different types of asset.

3. Adaptability and innovation:

Proactively adapt to the challenges brought about by climate change and seek innovative business models and products to cope with new market demands and risks. For example, developing automated or convenient transaction tools or methods, climate-related financial products, and providing climate risk management services, etc.

4. Transparency and communication:

Strengthen the communication and transparency with stakeholders such as customers, investors, and regulatory authorities, and explain the Company's understanding of climate change and response measures to build trust and consensus.

CONTENTS

About this Report

Message from the Chairperson

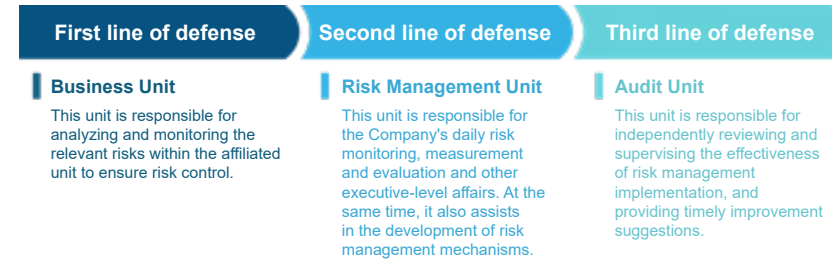
2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

6.1.3 Risk management

■ Three lines of defense model for climate risk management

Risk management is the common duties of the whole Company. A deliberate and complete risk defense line has been established to prudently manage and identify various operational risks through the three lines of defense for internal control and various risk management procedures. The members of Concord Securities' Sustainable Development Committee collect data on risk exposure through questionnaires and on-site visits. Subsequently, each business unit is tasked with conducting a preliminary assessment. Following this, the risks are assessed and ranked using a risk assessment method based on factors such as probability of occurrence, impact, and control effectiveness. Finally, the decision on whether to adopt and implement risk response strategies is made, considering four major aspects: implementation costs, benefits from mitigating profit decreases, probability of execution, and time required for implementation. The risk management implementation process is then reported to the board of directors.



Climate risk and opportunity identification and risk management process



■ Risk Materiality Assessment

In accordance with the supplementary guidelines published by the Task Force on Climate-related Financial Disclosures (TCFD) in 2021, Concord Securities prioritizes data that is currently available and quantifiable. This prioritization is adopted for input and parameters used in the aforementioned evaluation steps, the determination of the nature, probability of occurrence of the risk, and the numerical value of its impact, and the risk ranking based on those numerical values. The definition of materiality adopted is consistent with that of the financial statements for the year disclosed.

■ Transition and physical risk assessment (climate risk response)

In light of the impact of climate change on the Company's business activities, transition and physical risks faced are described as follows:

1. Transition risks (low carbonization):

As society pays more attention to climate issues, related technologies and markets may undergo transition, bringing about challenges or opportunities to the energy use practices adopted by Concord Securities. For instance, retiring and replacing major electrical equipment with facilities or consumables that consume less power, and replacing and optimizing firefighting facilities in special scenarios to significantly reduce consumption and waste.

2. Physical risks

To proactively adapt to the challenges posed by climate change, Concord Securities has introduced a digital analysis model. This initiative aims to quantify and conduct integrated assessment regarding climate-related and nature-related data from our businesses and operating sites using innovative tools and adaptivity, thereby reflecting the profile of physical risk associated with Concord Securities and the types of risk it faces. The following discloses the business units to which the relevant physical facilities belong, along with a map of their locations: There are a total of 16 business offices across the country, namely the Headquarters, Taipei Branch, Neihsu Branch, Shipai Branch, Yanping Branch, Renai Branch, Yonghe Branch, Banqiao Branch, Nankan Branch, Hsinchu Branch, Taichung Branch, Chiayi Branch, Tainan Branch, Kaohsiung Branch, Pingtung Branch, and Peng Hu Branch. Details are shown in the figure below.



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

List of major risks associated with the business offices of the business units to which the physical facilities belong:

Business locations	Heavy rain	Flooding	Temperature	Earthquake	Landslides	Tsunami
Headquarters	1 time		High temperatures 212 times Low temperatures 220 times			
Taipei Branch	1 time		High temperatures 212 times Low temperatures 220 times			
Neihu Branch	1 time		High temperatures 98 times Low temperatures 216 times	Low	•	
Shipai Branch	1 time		High temperatures 77 times Low temperatures 265 times	Medium	•	
Yanping Branch	1 time		High temperatures 164 times Low temperatures 215 times	Medium - High		
Renai Branch	1 time		High temperatures 181 times Low temperatures 218 times	Medium		
Yonghe Branch	2 times		High temperatures 167 times Low temperatures 256 times	Low		
Banqiao Branch	1 time		High temperatures 160 times Low temperatures 222 times	Medium - High		
Nankan Branch		•	High temperatures 76 times Low temperatures 19 times		•	
Hsinchu Branch	1 time	•	High temperatures 21 times Low temperatures 328 times	Low		
Taichung Branch	4 times		High temperatures 4 times Low temperatures 297 times	Low		
Chiayi Branch	5 times	•	High temperatures 26 times Low temperatures 398 times	Low		
Tainan Branch	1 time	•	High temperatures 1 time Low temperatures 255 times	Low - Medium		
Kaohsiung Branch	4 times	•	High temperatures 1 time Low temperatures 32 times	High		
Pingtung Branch	7 times		High temperatures 53 times Low temperatures 60 times	High		
Peng Hu Branch	1 time		Low temperatures 23 times			•

Note: Heavy rain: The cumulative rainfall in 24 hours is more than 350mm. High temperature: The highest temperature of the day surpasses 36 degrees Celsius. Low temperature: The lowest temperature of the day falls below 10 degrees Celsius. Others: 3D disaster potential map of Taiwan.

Physical risks arising from extreme weather events such as typhoons and floods may lead to risks, including interrupted operations in the Company's data centers and office buildings. After assessment, with the exception of the headquarters and Shipai Branch, all other business offices of Concord Securities are located above the second floor, suggesting a low overall probability of being affected by flooding. Additionally, a backup server room has been set up at a remote location to ensure continuous operation in case the main server room is affected or malfunctions. Concord Securities conducts drills in accordance with the TWSE's semi-annual backup drill plan to mitigate service disruptions caused by disasters to an acceptable level.

6.1.4 Indicators and targets

With reference to the principles outlined in the "Task Force on Climate-related Financial Disclosures (TCFD)," Concord Securities has set short-, medium- and long-term indicators and targets, described below:

Climate related indicators	Short-term goals (1 year)	Medium-term goals (1 to 3 years)	Long-term goals (over 3 years)
Greenhouse Gas Emission	<ul style="list-style-type: none"> ■ Completion of greenhouse gas inventories. ■ 1% reduction in greenhouse gas emissions (base year: 2022) 	<ul style="list-style-type: none"> ■ 1% reduction in greenhouse gas emissions (base year: 2022) 	<ul style="list-style-type: none"> ■ 3% reduction in greenhouse gas emissions (base year: 2022)
Climate Risk Management	<ul style="list-style-type: none"> ■ Identify climate-related risks and opportunities, assess the operational and financial impacts and probability of occurrence of climate-related risks, and plan relevant adjustment measures accordingly. 	<ul style="list-style-type: none"> ■ Establish climate risk related indicators of investment positions. ■ Incorporate climate risk considerations into other risk management mechanisms. 	<ul style="list-style-type: none"> ■ Continuously improve the measurement method of climate risk.



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

6.2 Sustainable resource management

According to Greenpeace, the climate crisis has become a test that global governments must face. Many countries and regions have successively proposed goals and plans to achieve net zero greenhouse gas emissions by 2050. In addition to energy transformation and industrial planning, various new forms of trade norms have also been developed. Carbon reduction is no longer just an environmental requirement, but has evolved into an important condition for economic competitiveness. Concord Securities recognizes the importance of environmentally sustainable operations. We have established an environmental management system according to the ISO 14001 standard for environmental management systems and passed third-party verification in 2023. The verification scope encompassed our headquarters, involving 304 verification workers, which accounted for 47% of our total workforce of 646 persons (as of December 31, 2023).

To implement the Company's ESG policy, targets and programs have been established in alignment with the ISO 14001 Environmental Management System. Electricity conservation and greenhouse gas reduction plans are regularly reported on the implementation results and the achievement status to both the "environmental protection and occupational safety and health committee" and the "management review meeting for the environmental safety and health management system." Additionally, the annual assessment is conducted to identify major environmental considerations, address them, and make improvement to reduce the impact of the Company's operations on the environment.

The Company continuously reduces the energy consumption of the office buildings and operating sites of Concord Securities Headquarter, the Company will update the operating equipment to improve the power efficiency and promote the power management measures. The Company hopes to improve the overall energy efficiency through the two pronged approach of updating the equipment and changing the habits of employees, and actively develops relevant countermeasures to demonstrate our commitment to the sustainable development of ESG environment.

The Company complies with the government's environmental policies and regulations, and there is no violation of environmental regulations and related penalties in 2023.

6.2.1 Greenhouse Gas Reduction

Passed verification for ISO 14064-1 greenhouse gas inventory

In 2022, Concord Securities introduced the ISO 14064-1 system, which underwent third-party verification in 2023. The verification encompassed 16 business offices, including our headquarters and 15 branches across northern, central, and southern regions, achieving a coverage rate of 100%. Emission sources verification was conducted for GHG emissions of Scope 1, Scope 2, and Category 4 of Scope 3. The Company achieved a 6.8% reduction in GHG emissions in 2023 compared to the base year, demonstrating the remarkable results of our reduction actions. The Company adopted the 1.5°C warming scenario and set the reduction targets for Scope 1 and Scope 2 emissions, with 2022 as the base year. Our short-term target is to reduce energy consumption by 1% in 2023 compared to the base year. Our medium-term target is to reduce energy consumption by 1% from 2024 to 2025 compared to the base year. Our long-term goal is to reduce energy consumption by 3% from 2026 to 2027 compared to the base year. Accordingly, Concord Securities will continue to update energy-saving equipment in the future, implement energy-saving management to improve electricity efficiency, and plan to purchase renewable energy, continuously promote low-carbon transformation and implement the concept of environmental protection, and strive for the sustainable and balanced development of enterprises and the environment.

(I) GHG emissions of Concord Securities (unit: tCO₂e)

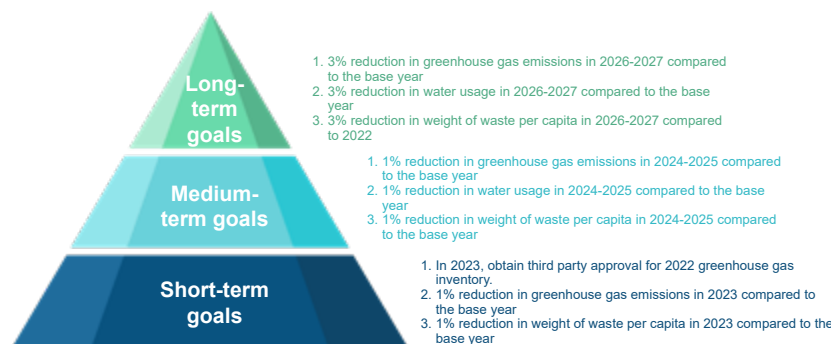
Greenhouse Gas Emissions		2022	2023	Difference Percentage
Scope 1	Category1: Direct greenhouse gas emissions and removal	86.870	88.742	2.2%
1.1	Stationary combustion	4.6336	5.2062	12.4%
1.2	Mobile combustion	22.0314	19.0523	-13.5%
1.4	Fugitive emissions from anthropogenic systems	60.2045	64.4833	7.1%

Greenhouse Gas Emissions		2022	2023	Difference Percentage
Scope 2	Category2: Indirect greenhouse gas emissions from energy inputs	1,468.625	1,354.895	-7.7%
2.1	Indirect discharge of electricity inputs	1,468.6245	1,354.8951	-7.7%
Scope 3	Category 4: Indirect greenhouse gas emissions from the use of products by the organization	297.939	283.682	-4.8%
4.1	Upstream emissions from purchased goods	263.7871	274.4279	4.0%
4.3	Disposal of waste generated in operations	34.1516	9.2540	-72.9%
Total emissions		1,853.433	1727.319	-6.8%

Note:

- 2022 is the base year for the GHG emissions of Concord Securities.
- The operational control approach was adopted for setting organizational boundaries. All emission sources on floors used within the scope of the disclosure were fully owned by the Company, and the facility-level GHG emissions and removals were summarized using this approach.
- The Global-warming potential (GWP) is based on the 2023 IPCC Sixth Assessment Report version.
- The carbon emission coefficient for electricity in 2022 is calculated based on the 0.509 kgCO₂e/kW-h announced by the Bureau of Energy, Ministry of Economic Affairs for 2021. The carbon emission coefficient for electricity in 2023 is calculated based on the 0.495 kgCO₂e/kW-h announced by the Bureau of Energy, Ministry of Economic Affairs for 2022.

(II) Short-, medium- and long-term goals for greenhouse gases



6.2.2 Energy resources management

(I) Energy management

The non-renewable energy consumption during the operation of Concord Securities mainly consists of purchased electricity, with a small portion of the consumption of gasoline for official cars and diesel for emergency generators.

Energy management measures:

- Newly installed and upgraded lighting fixtures are fully equipped with energy-saving LED lighting.
- The air conditioner is a variable frequency high power unit with a thermostatic control device and is set to an average room air conditioning temperature of not less than 26°C.
- Smart energy-saving sensor lighting has been installed in the toilets on all floors of the Headquarters.
- The energy policy is posted on all floors of the Company and on the internal website to remind all colleagues to save electricity at all times in order to achieve the reduction goal.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Non-renewable energy consumption			
Items \ Year	2022	2023	Difference
Total consumption of purchased electricity (kW·h)	2,885.3131	2,737.1620	-148.1511
Total consumption of purchased electricity (GJ)	10.3871	9.8538	-0.5333
Total consumption of gasoline (KL)	6.8791	4.9428	-1.9363
Total consumption of gasoline (GJ)	224.6510	161.4172	-63.2338
Total consumption of diesel (KL)	3.9739	4.7899	0.8610
Total consumption of diesel (GJ)	139.7586	168.4566	28.6980

Note:

- The data pertains to the consumption across all securities operating locations.
- The energy conversion formula for electricity is 1,000 kW·h = 0.0036 TJ, multiplied by 1,000 to convert to GJ.
- The energy conversion formula for gasoline is "KL x heating value of 7,800 Kcal/L x unit conversion factor of 4.1868 x 10⁻⁶ x 1,000 to convert to joule."
- The energy conversion formula for diesel is "KL x heating value of 8,400 Kcal/L x unit conversion factor of 4.1868 x 10⁻⁶ x 1,000 to convert to joule."
- The heating value is based on "Greenhouse Gas Emission Factor Management Table Version 6.0.4" published by the Ministry of Environment.

(II) Water resource management

The water resources used by Concord Securities are tap water, 100% of which comes from the water supply company. It does not draw on any groundwater or other water supply, mainly for cleaning, drinking and air-conditioning cooling systems, and so there is no significant negative impact on the water supply. The domestic sewage generated after use is discharged in accordance with local laws and regulations. To conserve water use, the Headquarters has replaced its equipment and utensils successively, giving priority to water-saving toilets, automatic sensor faucets, and other water-saving equipment in toilets. Additionally, we regularly promote the habits like turning off faucets to avoid wasting water and achieve the goal of water conservation.

Water Resource Statistics			
Items \ Year	2022	2023	Difference
Tap water consumption (m ³)	13,987.9710	13,939.0229	-48.9481

Note:

- The data pertains to the consumption across all securities operating locations.
- The Company's water intake and water consumption are the same, and they are sourced from the Taipei Water Corporation and the Taiwan Water Corporation.

(III) Waste management

The waste generated by Concord Securities is separated into general waste and recyclable resources. Colleagues sort garbage before disposal into the centralized garbage temporary storage area, and the building property management company then centrally stores it on the garbage room floor. General garbage is transported to the incineration plant by a qualified waste disposal company for disposal, and professional recyclers are contacted to remove the recyclable resources. In April 2023, we began to weigh wastes and record their weight. We regularly promoted waste reduction and classification, refrained from using products lacking environmental protection concepts, minimized the use of disposable products, decreased the volume of discarded office waste, and diligently enforced resource recycling and food waste classification. These efforts were aimed at enhancing colleagues' environmental awareness and gradually achieving our reduction target. The implementation results in 2023 indicated a 61% reduction compared to the base year.

Waste weight statistics			
Items \ Year	2022	2023	Difference
General waste (metric tons)	75.4912	20.3855	-46.2631
Resource recycled (metric tons)		8.8426	

Note:

- The data pertains to the weight of waste generated across all securities operating locations.
- The projected weight of waste for 2022 is calculated using national statistical values estimating the amount of waste generated per person per day and the total number of man-hours. For the period from January to March 2023, the projection is based on the average weight recorded from April to December of the previous year.

(IV) Paperless

The Company is implementing the paperless policy and promoting various paper reduction measures. In 2022, the Company launched an inventory of the use of paper-based reports and forms by various units, actively promoting paperless reports, and improving operational efficiency by simplifying operating procedures. Besides, the Company promotes online meetings and educational training, which not only reduces the amount of paper used for meetings, but also reduces the carbon emissions of transportation for attending meetings. The implementation results show that the paper reduction in 2023 compared to 2022 is approximately 7,500 sheets, equivalent to a reduction of 0.054 metric tons of CO₂e greenhouse gas emissions.

The quantifiable paperless actions are as follows:

◆ Paperless operation

Digitization of general business processes, paperless ETF subscription/redemption, accounting treatment, and declaration.

◆ Paperless meetings

Meetings materials are provided in electronic format, tablets are used in major meetings (board of directors and audit committees, and daily affairs and business communication are made as much as possible through video conferencing, reducing travel and improving administrative efficiency.

◆ Paperless training

The Company sets up online teaching system and E-Learning platform, develops common platform system cloud, database and e-teaching materials; The physical classroom is conducted through video or iPad presentations.

◆ Paperless business services

The Company imports digital services into marketing, trading, payment, accounting, and other processes (electronic statements/ online account opening/ online ordering, etc.).

◆ Paperless life

The Company reduces the use of paper cups, lunch boxes, etc.

Comparison of Photocopying Paper Consumption and Carbon Emissions

Photocopying Paper Consumption Statistics Table for Past 2 Years – Keelung Route of the Headquarters			
Items \ Year	2021	2022	2023
Amount of paper (sheets)	840,000	692,500	685,000
Carbon Emission Volume (tCO ₂ e)	6.048	4.986	4.932

Note: The paper emission factor is taken from the EPD's Product Carbon Footprint Information Website, and calculated according to virgin wood pulp photocopying paper 0.0072 kgCO₂e/sheet.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

(V) Provide free vegetarian meals every month to promote carbon reduction awareness for colleagues

Employees are the most important assets of an enterprise. In addition to providing a good and high-quality work environment and training for employees' career learning and growth, we also want to select, cultivate, utilize, and retain talents. We attach great importance to the health of our employees and have provided free employee health checks for many years in a row. We have also offered one "Healthy Vegetables Day" free meal per month and used environmentally friendly, degradable lunch boxes made from plant fibers, with a total of 1,051 vegetarian meal boxes in 2023 since August 2017 to advocate eating more vegetables and less meat, developing the character of energy conservation and carbon reduction, and maintaining good health.

Achievements of reducing carbon emissions of vegetarian lunch boxes in recent three years

Year	Total number	Total Reduction of Carbon Emission Volume (MtCO ₂ e)
2021	1,035	0.7866
2022	1,063	0.8079
2023	1,051	0.7988

Note: The emission factor is based on the estimation of the U.S. Environmental Working Group. A meal without meat can reduce 760g, calculated at 0.76 kgCO₂e/box.



6.3 Green procurement and supplier management

6.3.1 Green Procurement

As a member of the financial service industry, Concord Securities is mostly composed of agents or distributors, so the Company has a relatively low impact on the environment. The manufacturers that cooperated with the Company are divided into "renovation projects," "software/hardware maintenance," "machine procurement," "data services," "gifts/tours," and "others." Most of the manufacturers signed the procurement contracts in 2019 are based in Taiwan. In order to contribute to society's pursuit of environmental protection, energy saving and carbon reduction, we have specified in our procurement management measures that the principles of procurement targets must comply with specific environmental safety and health regulations for various items, and meet the standards of green environmental protection and corporate social responsibility. We hope to achieve energy saving, carbon reduction and lower operating costs by managing at source, incorporating green procurement and green concepts into our established systems. We actively respond to green procurement activities and increase the amount of related purchases year on year. In the future, we will continue to support low-carbon products, green building materials and sustainable commodities through green procurement to enhance the efficiency of resource utilization.

Principles of Green Procurement

- ◆ Green environmental protection and sustainable development as the procurement standard.
- ◆ Give priority to purchasing equipment that complies with green building materials and environmental protection labels.

In 2023, our green procurement items included sanitary equipment, air conditioning host equipment, UPS equipment, LED lighting, etc., totaling NT\$1,834,305. Our total investment in electricity conservation plans amounted to NT\$1,743,040. Overall, in 2023, we were able to save about 255,100 kWh of electricity consumption, conserve about 7,000 m³ of water, and reduce carbon emissions by 126.9381 MtCO₂e.

Performance on green expenditure and energy conservation in 2023

Items	Content	Benefits	Expenditure	Estimated annual conservation (kW·h)	Energy conservation (GJ)	Reduction in greenhouse gas emissions (MtCO ₂ e)
Green Procurement	Renovation of the toilet (4 sets of urinals, 10 sets of toilets, 4 sets of sensor faucets, etc.) on the 10th and B1 floor of the Headquarters.	Energy-saving stamp certifications are provided for all equipment	\$288,430	7,000	-	0.6636
	Replacement of office lighting (totaling 1,141 lights at the Headquarters and Branches in Taipei, Yanping, Renai, Banqiao, Hsinchu, Kaohsiung, and Pingtung)	Energy-saving stamp certifications are provided for all equipment	\$985,875	128,600	462.96	63.6570
	Replacement of split-style air conditioners for computer rooms (Headquarters, Taipei, Yonghe, Neihu, and Penghu)	Energy-saving stamp certifications are provided for all equipment	\$560,000	28,500	102.6	14.1075

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Items	Content	Benefits	Expenditure	Estimated annual conservation (kW·h)	Energy conservation (GJ)	Reduction in greenhouse gas emissions (MtCO ₂ e)
Electricity consumption conservation plan	Replacement of antiquated equipment - UPS facilities (Taipei and Tainan Branches)	Improving energy efficiency	\$961,000	84,000	302.4	41.5800
	Major maintenance of air conditioning host at the headquarters and branches	Reduce energy consumption	\$542,040	-	-	-
	Major maintenance of generators at both the headquarters and branches	Reduce energy consumption	\$240,000	-	-	-

Note:

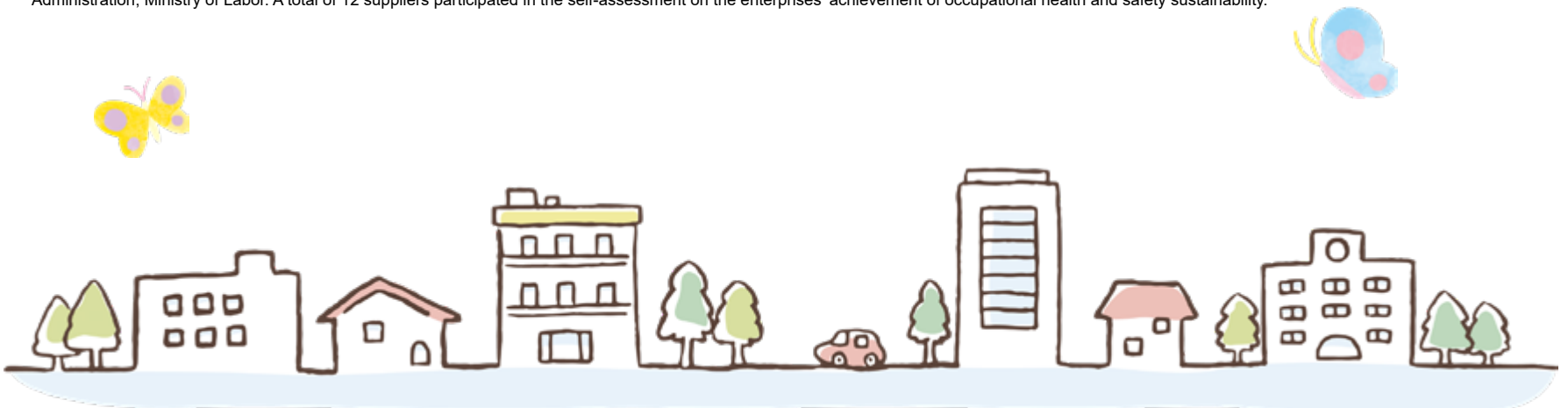
1. Toilets, which previously consumed 12 liters per flush, were replaced with new Gold Class water-saving toilets, reducing water consumption to 4.8 liters per flush. The calculation formula is as follows: liters of water saved per flush * flushes per day * working days.
2. 65W lamps were replaced with new LED lamps, which consumed only 19.5W. The calculation formula is as follows: watts of electricity saved * 1,140 lamps * 10 hours * working days.
3. Air conditioners were replaced with Grade 1 energy-saving units. The calculation formula is as follows: watts of cooling capacity/energy efficiency ratio (EER) * 24 hours * 365 days.
4. UPS was replaced with a new one, reducing the capacity from 50kVA to 30kVA. Calculation formula is as follows: kVA of capacity reduced * 24 hours * operating load.

6.3.2 Supplier Management

The Company has established the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct," which were passed by the board of directors and submitted to the shareholders' meeting. We have also adopted the "Environmental Protection Policy," "Occupational Safety and Health Policy," "Contractor Environmental Safety and Health Management Manual," and "Regulations for Management of Procurement and Requisition." Either the Chairperson or the board of directors serves as the highest level of authorization. We keep good relationship with suppliers and other trading counterparts and maintain smooth communication channels with suppliers, respect and safeguard their legitimate rights and interests and enhance mutual trust with suppliers.

In August 2023, the Company re-invited its partners and suppliers to execute the "Human Rights and Environmental Sustainability Commitment Letter." A total of 39 suppliers signed the version, representing a 63% increase from the previous signing. The contents included no child labor allowed, environmental protection sustainability, occupational safety and health management and corporate social responsibility policy, and commitment to establishing a specific environmental protection and energy saving management system, adopting the best pollution prevention and control technology, appropriately protecting the natural environment and devoting to achievement of environmental sustainability goals. The contract may be terminated or rescinded any time, or a fine or suspension may be imposed by the Company if any violation has caused significant negative impact on the environment and society of the community of the supply source and makes no improvement or incomplete improvement after an improvement is required within a time limit. If the situation has been considered serious, such supplier may be eliminated from the list of qualified suppliers or other action may be taken. To implement corporate governance and improve the functions of the board of directors, a reporting mailbox has been established. Individuals are encouraged to submit specific evidence to report any illegal incidents involving the Company or its personnel. The Company maintains confidentiality for any complaints, handles them with a special filing method, and orders the relevant departments to investigate as soon as possible. Please [report via the online whistleblower mailbox on our official website](#).

- ◆ To make the suppliers implement environmental protection, the local suppliers will be used as the first priority.
- ◆ In 2023, there were no poor delivery quality or major environmental hazard incidents from manufacturers.
- ◆ In 2023, the Company invited suppliers to participate in the self-assessment platform for occupational health and safety (OHS) sustainability performance organized by the Occupational Safety and Health Administration, Ministry of Labor. A total of 12 suppliers participated in the self-assessment on the enterprises' achievement of occupational health and safety sustainability.



CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

3. Sustainable
Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

8. Appendix

7. Social Co-prosperity

7.1 Public welfare goals and strategies

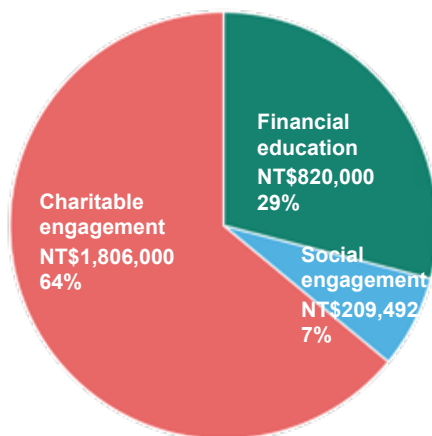
7.2 Public welfare highlight activities



7. Social Co-prosperity

Performance Highlights

- ◆ The activity "1919 Bikeathon" raised NT\$330,000.
- ◆ Concord Securities has collaborated with Rotary Club of Taipei Chung Shing to hold a 4-in-1 blood donation activity for 16 consecutive years. There were a total of 122 individuals participating in the blood donation, raising a total of 161 bags and 40,250 CC of blood.
- ◆ Continuously organize the "Concord's Old Clothes, Keep the Love Alive" event, with a total of 46 volunteers participating and 4,766 pieces of clothing raised.
- ◆ Donated NT\$300,000 to Pumen Home for the elderly, with approximately 72 elderly beneficiaries.
- ◆ Supported for national sport with an ongoing donation of NT\$350,000 to the Daojiang Youth Baseball team, with 78 student beneficiaries.
- ◆ Donated NT\$420,000 to the School of Financial Technology, Ming Chuan University, with 32 student beneficiaries.
- ◆ Collaborated with the 1919 Food Bank to participate in the food box donation activity. There were 56 volunteers and food packages totaling NT\$ 300,000.
- ◆ 1919 Spread Love with Shoeboxes to children in rural areas, distributing a total of 380 Christmas gifts to 29 schools across the nation.



7.1 Public welfare goals and strategies

With the concept of "what is taken from the society is used for the society", Concord Securities is actively involved in social welfare activities, one step at a time. Social development and financial services are a system of coexistence and prosperity. Financial services support the needs of the economy and society, but they also depend on the sound development of society; without a stable society, business development will be challenged. Therefore, how to enhance the public interest in culture, health, education and living of the society is a long-standing area of effort and concern. In addition to social engagement and participation in related activities, the Company also serves the communities around its operations and contributes to the development of the financial market and the nurturing of human resources in line with its corporate core strategy, with specific objectives and actions to implement the "UN Sustainable Development Goals" (SDGs).

7.1.1 Strategies and goals

Public welfare care



Core/driving force	Long-term goals
<p>We are concerned about social change and encourage our subsidiaries to integrate their operations with the concept of giving back to the community, working with stakeholders to increase their social impact.</p> <p>With a long-term focus on the disadvantaged groups, we use our core competencies in financial services to help build a platform for charitable donations, linking shareholders, customers, employees, communities and the media to help children from rural and disadvantaged families, the physical and mental disabilities and the disadvantaged groups to enjoy equitable access to socio-economic resources and to narrow the gap between urban and rural areas.</p>	<ul style="list-style-type: none"> ◆ Using financial services in conjunction with public service, we provide assistance to public welfare groups to address issues such as lack of materials and inequality of opportunity for the rural and disadvantaged groups due to economic hardship. ◆ We support the activities of social welfare units and invite stakeholders to join us in caring for children from rural and disadvantaged families, the physical and mental disabilities and disadvantaged groups, to leverage the influence of the enterprise, and build good relationships.

Education support and talent cultivation



Core/driving force	Long-term goals
<p>We continue to support education, expand the number of beneficiaries, protect the rights of disadvantaged students to fair and high quality education, provide employment opportunities and help young people to become self-reliant.</p> <p>With the spirit of "what is taken from the society is used for the community", we actively participate in various cultural, educational and social welfare activities to help talented young people from disadvantaged families to study with peace of mind, to protect the rights of students to enjoy fair and high-quality education and learning; and to promote the knowledge and skills of sustainable development.</p>	<ul style="list-style-type: none"> ◆ We provide assistance with higher education scholarships to encourage and support the development of related industries and the cultivation of professional talents. ◆ We continue to help disadvantaged groups to turn their lives around through education and employment opportunities, and to raise the profile of our company.

Common good of Community



Core/driving force	Long-term goals
<p>Use business locations as relay station for community communication, deepen community interaction, construct a safety net for assistance, pay attention to social issues, and prioritize cooperation with strategic partners.</p> <p>By collaborating with campuses, social welfare units, and nursing institutions, we aim to establish operational bases as the core of community development, regularly organize blood donation and public welfare activities, deepen community interaction, construct a community assistance safety net, and become a relay station for community communication, promoting an inclusive, safe, and sustainable living environment.</p>	<ul style="list-style-type: none"> ◆ Cultivate local social organizations or groups, enhance community welfare, and become a relay station for community communication. ◆ Utilize the spirit of financial institutions to deeply serve customers in their neighborhoods, deepen the interaction and connection between stakeholders, and assist in resolving issues of concern.

Achievement status

Items	Targets in 2023	Achievement status	Mid- & Long-term (2024)	Mid- & Long-term (2026)
Sponsoring public welfare groups	Continuously paying attention to rural children and disadvantaged groups, and promoting financial knowledge education	Complete cooperation between rural children, disadvantaged groups, and industry and education	Continuously paying attention to rural children, disadvantaged groups, and industry school cooperation	Continuously paying attention to rural children, disadvantaged groups, and industry school cooperation
Donate old clothes to help Eden	Implement ESG, initiate a cycle of love and kindness, and help vulnerable families	Completed	Continuously donating old clothes and supporting environmental sustainability	Continuously donating old clothes and supporting environmental sustainability
Organize blood donation activities	Hold 1 activity	Completed	Hold 1 activity	Hold more than 1 activity
1919 Public welfare activities	Call on Concord warriors to ride bicycles around Taiwan and rescue emergency families	Completed	Continuous operation	Continuous operation
Donation of touring medical vehicles	Donate a touring medical vehicle to the Hsinchu Branch of NTU Hospital for rural medical tour.	Ongoing	Continuously monitor the current status of medical tour	Continuously monitor the current status of medical tour

Achievement benefits

Strategies	Public welfare projects	Amount	Number of beneficiaries/ Number of Companies	Description
Public welfare care	◆ Donation Consortium Legal Person Taiwan Private Pumen Home	◆ NT\$300,000	◆ 72 people	Standing at the forefront of public welfare for a long term, caring for major social issues, working together with stakeholders to provide practical assistance.
	◆ Spread Love with Shoeboxes to children in rural areas	--	◆ 380 pairs for 29 schools	
Education support and talent cultivation	◆ Donate to the Daojiang Youth Baseball Team	◆ NT\$350,000	◆ 78 people	Invest resources to help disadvantaged students complete their studies, help young people become self-sufficient, and cultivate professional talents.
	◆ Donate to the School of Financial Technology, Ming Chuan University with scholarships and grants	◆ NT\$420,000	◆ 32 people	
Common good of Community	◆ Donate a touring medical vehicle to the Hsinchu Branch of NTU Hospital to protect the health of residents in rural areas in Hsinchu	◆ NT\$1,750,000	◆ 1 hospital	Use business locations as relay station for community communication, combine with the strength of volunteers, construct a stable safety net for assistance.
	◆ Concord Spreads Love - Change Your Life (assisting disadvantaged families)	◆ NT\$10,000	◆ 52 people	
	◆ Senior Citizen Inheritance - Enjoying Life in Peace Conduct nation-wide promotions for "Fraud Prevention" and "Asset Inheritance"	◆ NT\$65,000	◆ Number of beneficiaries: 445 people	



CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

7.2 Public welfare highlight activities

7.2.1 Public welfare care

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

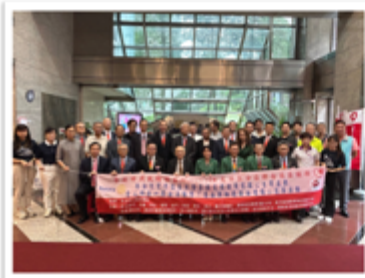
8. Appendix

◆ Continue 1919 Bikeathon – Emergency Families Relief Program



- ◆ Supporting charitable activities through practical actions, Concord Securities has formed a "Warrior Bike Team" team relaying around Taiwan to raise charity donation for six consecutive years. Our goal is to encourage employees to devote themselves to social services and charitable activities outside of work.
- ◆ The activity "1919 Bikeathon" raised NT\$0.33 million in 2023.

◆ Concord and Taipei Chung Shing Rotary Club jointly organize a blood donation drive to support the blood bank



- ◆ Concord Securities has collaborated with Rotary Club of Taipei Chung Shing to hold a 4-in-1 blood donation activity for 16 consecutive years.
- ◆ In 2023, there were a total of 122 individuals participating in the blood donation, raising a total of 161 bags and 40,250 CC of blood.

◆ Donated to Tainan Pumen Home for sustainable care and long-term care services



- ◆ As Taiwan has entered a super-aged society ahead of schedule, elderly care has become an important social issue. Concord Securities Group cares about the aging society problem, supports its operations, and takes practical actions to care for the elderly.
- ◆ NT\$300,000 was donated to Pumen Home in 2023.

◆ Donated to Tainan Pumen Home for sustainable care and long-term care services



- ◆ Continuously organize the "Concord's Old Clothes, Keep the Love Alive"
- ◆ Concord Securities advocates for a circular economy for sharing. With the theme of the circular economy of the closet, we have continuously organized the "Concord's Old Clothes, Keep the Love Alive" activity.
- ◆ In 2023, there were a total of 46 volunteers participating and 4,766 pieces of clothing raised.

◆ Donated 1,000 food boxes to support disadvantaged families in remote areas



- ◆ To support underprivileged families in remote areas, Concord Securities' Collect Food for Kindness joined forces with the 1919 Food Bank to participate in the food box donation activity.
- ◆ In 2023, a total of 1,000 food packages, totaling NT\$300,000, were donated.

◆ Spread Love with Shoeboxes to children in rural areas



- ◆ The Company organized a shoebox donation activity, where employees used reusable shoeboxes at home to pack stationery items as Christmas gifts for schoolchildren.
- ◆ In 2023, a total of 380 Christmas gifts were distributed to 29 schools across the nation.

7.2.2 Common good of Community

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

◆ Donate a touring medical vehicle to the Hsinchu Branch of NTU Hospital



- ◆ Long distances often reduce the willingness to seek medical treatment in remote areas of Taiwan. As a result, mobile healthcare has become increasingly important and urgent. The Company donated a tour medical vehicle to the Hsinchu Branch of NTU Hospital to protect the health of residents in rural areas in Hsinchu.
- ◆ In 2023, a touring medical vehicle, valued at NT\$1.75 million, was donated to the Hsinchu Branch of NTU Hospital.

◆ Concord Spreads Love - organized financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas and new immigrants



- ◆ To fulfil our corporate responsibility, the Company cares for disadvantaged groups. Introducing financial literacy education from a young age can enhance individuals' financial knowledge, enabling them to overcome poverty, achieve prosperity, and embrace life. Simultaneously, we care for underprivileged groups by taking concrete actions.
- ◆ Number of beneficiaries: 52 individuals.

◆ "Beach Cleanup Event" with the aim of creating an impact on environmental sustainability together



- ◆ In September 2023, employees and their family members from Concord Futures, a subsidiary of the Group, participated in a beach cleanup event on the Northeast Coast, working together to protect the coastline and marine ecology of Taiwan. As for results of the Beach Cleanup Event in 2023, a total of 65 kilograms of marine debris was picked up, and 47 people (employees and family members) participated in the event.

◆ Senior Citizen Inheritance - Senior Citizen Anti-Fraud Promotion



- ◆ We organized "Fraud Prevention Promotion" and "Property Inheritance" across the nation to promote the concepts of fraud prevention and insurance inheritance, thereby ensuring that senior citizens can enjoy peace of mind in their lives and pass on their wealth.
- ◆ Number of beneficiaries: 445 individuals.

◆ Park Adoption



- ◆ Siwei park located next to Rui'an Street in Taipei City has been adopted by the Company for 20 years now. In order to promote the beautification of the city's appearance and park, and to transform the love for the natural environment into practical actions by Concord Securities, allowing everyone to enjoy a comfortable living environment and create a clean and comfortable city.
- ◆ 2023 adoption expenses: NT\$195,600.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

7.2.3 Education support and talent cultivation

◆ Supported for national baseball and continuously cultivate sports talents



- ◆ Concord Securities supports national teams, cares about the education of schoolchildren in remote areas, and helps economically disadvantaged groups. Daojiang High School of Commerce Baseball Team comprises financially disadvantaged indigenous students from remote areas. Concord Securities hopes that these players will have a chance to make Taiwanese baseball teams shine and become popular worldwide in the future.
- ◆ In 2023, a total of NT\$350,000 was donated, benefiting 78 students.



7.2.4 Support for the Disadvantaged Groups

To support disadvantaged groups, the Company purchases products from sheltered workshops for people with physical and mental disabilities as gifts for the Mid-Autumn Festival and Spring Festival every year. These practical actions not only safeguard and help more disadvantaged distributors but also encourage and support the entrepreneurship of disadvantaged groups. Details of the Mid-Autumn Festival and Spring Festival gifts that support disadvantaged groups in 2023:

Festivals	Purchased Content	Amount NT\$	Number of beneficiaries
Chinese New Year	Happiness From the Heart - 2022 New Year's Day Tea Gift Sets, a total of 45 sets.	\$28,350	Assisted 668 schoolchildren in remote townships in providing funds for school lunches, emergency assistance, diversified teacher resources, and psychological counseling.
Chinese New Year	TriBake - Warm Spring with Blooming Flowers Gift Boxes, a total of 234 sets	\$169,182	A total of 4 sheltered workshops have been established, and there are 30 individuals with physical and mental disabilities who have been hired in stable employment.
Autumn Festival	TriBake - Tree of Life Gift Boxes, a total of 97 sets	\$104,760	A total of 4 sheltered workshops have been established, and there are 30 individuals with physical and mental disabilities who have been hired in stable employment.
Chinese New Year	Buy Directly From Farmers - Passage of Time Gift Boxes, a total of 124 Sets	\$124,000	<ul style="list-style-type: none"> • A total of 1,343 individuals were engaged in friendly agriculture, including employees and their family members • There are 668 hectares of environmentally friendly land, equivalent to 668 football pitches
Chinese New Year	TriBake - Icing on the Cake Gift Boxes, a total of 190 sets	\$148,200	A total of 4 sheltered workshops have been established, and there are 30 individuals with physical and mental disabilities who have been hired in stable employment.
Chinese New Year	Happiness From the Heart - Tea Gift Sets of Dreams, a total of 95 sets.	\$61,750	Assisted 668 schoolchildren in remote townships in providing funds for school lunches, emergency assistance, diversified teacher resources, and psychological counseling.
Autumn Festival	Buy Directly From Farmers - Five Blessings Mid-Autumn Festival Gift Boxes, a total of 113 Sets	\$137,100	<ul style="list-style-type: none"> • A total of 1,343 individuals were engaged in friendly agriculture, including employees and their family members • There are 668 hectares of environmentally friendly land, equivalent to 668 football pitches
Autumn Festival	ANYO - 175 sets of Two Homers Tea and Fruits Gift Boxes	\$241,500	Collaborate with local young entrepreneurial farmers to intelligently control the quality of entire animal breeding process, from feeding to breeding. This initiative aims to improve the breeding environment, enhance production capacity and income, and encourage young people to return to their hometowns through contractual farming purchases. (SDGs. 11)
Autumn Festival	ANYO - 79 sets of Mid-Autumn Festival Deluxe Seafood and Meat Barbecue Gift Boxes	\$247,520	
Autumn Festival	Amazing Grace Deaf Bakery - 659 sets of Mid-Autumn Festival Walnuts & Raisins Oatmeal Cookies Gift Boxes	\$203,095	Since the establishment of Amazing Grace Deaf Bakery 17 years ago, the number of its employees has slowly increased from single digit to about 60 people.
Total		\$1,465,457	

CONTENTS

About this Report

Message from the
Chairperson

2023 Key Sustainability
Performance

1. About Concord

2. Sustainability
strategy and
commitment

3. Sustainable
Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental
Sustainability

7. Social Co-prosperity

■ 8. Appendix

8. Appendix

GRI Standards Index Comparison Table

SASB sustainable accounting standard comparison table

Implementation status of climate-related information

BSI GRI Code Independent Assurance Statement

ISO 14001:2015 Environmental Management System certification

ISO 45001:2018 Environmental Safety and Health System certification

ISO 14064-1: 2018 Greenhouse Gas Inventories certification

PWC Limited Confirmation Report

Summary of Information Assured

■ GRI Standards Index Comparison Table

Statement of use	Concord Securities Co., Ltd. has reported in accordance with the GRI Standard for the period from January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable Sector Standards	None

GRI 2: General Disclosure 2021

GRI Standard	Disclosure Items	Disclosure of chapters/reasons for omission	Page
1. Organizational and Reporting Practices			
2-1	Organizational Details	About this Report 1.1 Company Profile	2 6
2-2	Entities included in organizational sustainability reporting	About this Report	2
2-3	Reporting period, frequency, and contact person	About this Report	2
2-4	Restatements of information	About this Report	2
2-5	External assurance	About this Report	2
2. Activities and Workers			
2-6	Activities, Value Chain, and Other Business Relationships	1.1 Company Profile	6
		1.1.1 Organizational supply chain system	6
		1.1.2 Main Brands, Products, Services, and the Company's Operating Locations	6
2-7	Employees	5.1 Employee attraction and retention	60
2-8	Non-employee workers	5.1 Employee attraction and retention	60
3. Governance			
2-9	Governance structure and composition	2.2 Sustainable governance operation	17
		3.1.6 Diversification of the Board of Directors	30
2-10	Nomination and selection of the highest governance unit	3.1.6 Diversification of the Board of Directors For details, please refer to the Company's website - Board Members	30
2-11	Chairman of the highest governance unit	3.1 Corporate governance	28
2-12	The role of the highest governance unit in supervising impact management	2.1.2 Sustainable development strategy goal planning	11
		2.2 Sustainable governance operation	17
		2.3 Stakeholder Communication	19
2-13	Delegation of responsibility for managing impacts	2.2 Sustainable governance operation	17
2-14	The role of the highest governance unit in sustainable reporting	About this Report	2
2-15	Conflict of interest	3.1.7 Academic experience and professional background of the Company's directors	31
2-16	Communication of Key Major Events	2.2 Sustainable governance operation	17
2-17	Group intelligence of the highest governance unit	3.1.12 Duties and Operation Status of Functional Committees	37

GRI Standard	Disclosure Items	Disclosure of chapters/reasons for omission	Page
2-18	Performance evaluation of the highest governance unit	3.1 Corporate governance Regarding the performance evaluation of directors' management of economic, environmental and human impacts, the Company intends to include the performance evaluation indicators in 2027; The external performance evaluation of the board of directors is expected to be included in the assessment in 2027.	28
2-19	Remuneration policy	3.1.9 Remuneration Policy for Directors and Senior Management Staff 5.4 Compensation, Benefits, and Employee Care	28 68
2-20	Remuneration decision process	3.1.9 Remuneration Policy for Directors and Senior Management Staff 5.4 Compensation, Benefits, and Employee Care	28 68
2-21	Annual total remuneration ratio	5.4 Compensation, Benefits, and Employee Care	68
4. Strategy, policy and practice			
2-22	Statement on sustainable development strategy	Message from the Chairperson	3
2-23	Policy commitments	3.1 Corporate governance	28
		3.4 Ethics and integrity	41
		3.5 Information security	44
		4.1 Sustainable Responsible Investment	48
		5.4.3 Human Rights Policies	70
2-24	Incorporate policy commitments	6.3 Green procurement and supplier management	79
		5.3 Friendly working environment 6.3 Green procurement and supplier management	64 79
2-25	Procedures for remedying negative impact	2.3.1 Stakeholder Communication	19
2-26	Mechanism for soliciting suggestions and raising doubts	6.3.2 Supplier Management	
2-27	Regulatory compliance	3.4.4 Incidents Violating Legal Compliance	41
		3.4.10 Audit Operation Status (Compliance incident statistics as of December 31, 2023)	43
2-28	Membership of associations	1.1.3 Participation in Domestic Organizations	7
5. Negotiation of stakeholders			
2-29	Stakeholder negotiation policy	2.3.1 Stakeholder Communication	19
2-30	Collective bargaining agreements	Although the Company has not established a union or a collective bargaining agreement, it holds regular labor-management meetings every year and has transparent communication channels.	

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

GRI 3: Major Topics Disclosure Project

GRI Standard	Disclosure Items	Disclosure of chapters/reasons for omission	Page
GRI 3: Major Topics 2021			
3-1	Major topics decision process	2.3.3 Material topic identification procedure	22
3-2	List of material topics	2.3.4 Material Topics and Impact Boundaries	23
3-3	Material Topics Management	2.3.5 Material Topics Management and Commitments	24

1. Integrity management

GRI Standard	Disclosure Items	Chapter	Page
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	3.4.5 Anti-corruption, Education and Training	42
	205-3 Confirmed incidents of corruption and actions taken	3.4.10 Audit Operation Status	43

2. Operational Performance

GRI Standard	Disclosure Items	Chapter	Page
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	1.2 Operating performance	7
	201-3 Defined benefit plan obligations and other retirement plans	5.4 Compensation, Benefits, and Employee Care	68

3. Sustainable Finance

GRI Standard	Disclosure Items	Chapter	Page
GRI 3: Major Topics in 2021	3-3 Management of material topics	2.3.5 Material Topics Management and Commitments	24

5. Customer Privacy and Information Security

GRI Standard	Disclosure Items	Chapter	Page
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.5.5 Personal Data Management System Control	46

6. Corporate governance

GRI Standard	Disclosure Items	Chapter	Page
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	3.4.5 Anti-corruption, Education and Training	42
	205-3 Confirmed incidents of corruption and actions taken	3.4.10 Audit Operation Status	43

8. Social welfare

GRI Standard	Disclosure Items	Chapter	Page
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	7.1 Public welfare goals and strategies	82
		7.2 Public welfare highlight activities	84

9. Climate change and environmental protection

GRI Standard	Disclosure Items	Chapter	Page
GRI 302: Energy 2016	302-1 Energy consumption within the organization	6.2.2 Energy resources management	77
	302-3 Energy intensity	6.2.2 Energy resources management	77
	302-4 Reduction of energy consumption	6.2.2 Energy resources management	77
	305-1 Direct (Scope 1) GHG emissions	6.2.1 Greenhouse Gas Reduction	77
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	6.2.1 Greenhouse Gas Reduction	77
	305-3 Other indirect (Scope 3) GHG emissions	6.2.1 Greenhouse Gas Reduction	77
	305-4 GHG emissions intensity	6.2.1 Greenhouse Gas Reduction	77
	305-5 Reduction of GHG emissions	6.2.1 Greenhouse Gas Reduction	77

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity
8. Appendix

10. Self-Defined Material Topics

GRI Standard	Disclosure Items	Chapter	Page
Service quality and customer satisfaction	3-3 Guidelines for management of material topics	4.3 Inclusive finance	54
		4.4 Customer relationship management	58
Brand image	3-3 Guidelines for management of material topics	4.1.6 Implementation of inclusive finance and sustainable insurance	51
		4.2.1 Innovative service	52
		4.3.1 Provide Small Financial Products and Services	54

11. Voluntary Disclosure Indicators

GRI Standard	Disclosure Items	Chapter	Page
GRI 401: Employment 2016	401-1 New employees and resigned employees	5.1 Employee attraction and retention	60
	401-2 Benefits to full-time employees (excluding temporary or part-time employees)	5.4 Benefit and Retirement System	68
	401-3 Parental leave	5.4.2 Diversity and Inclusion	69
GRI 403: Occupational safety and health 2018	403-1 Occupational safety and health management system	5.3.1 Establish an occupational safety and health management system	64
	403-2 Hazard identification, risk assessment and incident investigation	5.3.1 Establish an occupational safety and health management system	64
	403-3 Occupational Health Service	5.3.2 Set up a special unit for occupational safety and health	65
	403-4 Participation, consultation and communication of workers related to occupational safety and health	5.3.4 Occupational Health and Injuries	65
	403-6 Worker health promotion	5.3.4 Occupational Health and Injuries	65
	403-7 Prevent and mitigate the impact of occupational safety and health directly related to business relations	5.3.4 Occupational Health and Injuries	65
	403-8 Workers of occupational safety and health management system	5.3.4 Occupational Health and Injuries	65
	403-9 Occupational injuries	5.3.4 Occupational Health and Injuries	65

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

SASB sustainable accounting standard comparison table

Disclosure Topics	Disclosure Indicators	Indicator Code	Page	Description
Diversification of employees	(1) Management staff, (2) Non-management personnel, (3) Professional staff, (4) Proportion of gender and race representation of all other employees	FN-IB-330a.1	60	See "5.1 Employee attraction and retention" for details
ESG factor into investment bank and securities business	Disclose the total income of (1) underwriting, (2) consulting and (3) securitization transactions that have integrated ESG factors by industry	FN-IB-410a.1	48	See "4.1 Sustainable responsible investment" for details
	Disclose the (1) number and (2) value of investment and loans that have integrated ESG factors by industry	FN-IB-410a.2	48	See "4.1 Sustainable responsible investment" for details
	Explain the incorporation of ESG factors into investment bank and securities business processes and strategies	FN-IB-410a.3	48	See "4.1 Sustainable responsible investment" for details
Business ethics	Total monetary losses caused by legal proceedings against fraud, insider trading, anti trust, anti competitive behavior, market manipulation, malfeasance or other relevant financial industry laws or regulations	FN-IB-510a.1	41	See "3.4 Ethics and integrity" for details
	Whistleblower system and procedures	FN-IB-510a.2	42	See "3.4.7 Establishing a whistleblowing system" for details
Professional integrity	Number and ratio of employees with records of investment-related investigations, customer complaint cases, private civil lawsuits or other regulatory procedures	FN-IB-510b.1	45	See "3.5.4 Major information security incidents" for details
			58	See "4.4.2 Customer Complaint Cases" for details
			41	See "3.4.4 Incidents Violating Legal Compliance" for details
	Number of conciliation and arbitration cases relating to professional integrity (including duty of care)	FN-IB-510b.2	--	See "3.4.4 Incidents Violating Legal Compliance" for details
	Total financial losses arising from legal proceedings related to professional integrity (including duty of care)	FN-IB-510b.3	--	See "3.4.4 Incidents Violating Legal Compliance" for details
	Specify the method of ensuring the professional integrity (including duty of care)	FN-IB-510b.4	41	See "3.4 Ethics and integrity" for details
System Risk Management	Global systemically important bank (G-SIB) score	FN-IB-550a.1	--	The Company's non-global systemically important bank
	Explain the stress test results and how they are integrated into capital adequacy planning, the company's long-term strategy and other business activities	FN-IB-550a. 2	38	See 3.2 Risk Management" for details
Risk tolerance	Proportion of total salary changes for major risk bearers	FN-IB-550b.1	--	Further disclosure plans will be made on this information
	Proportion of total salary changes for major risk bearers to which the remuneration recovery clause applies	FN-IB-550b. 2	--	No compensation recovery terms are applicable to the Company's significant risk bearers.
	Disclose policies on the monitoring, control and validation of Level 3 asset and liability evaluations	FN-IB-550b. 3	--	For details, please refer to P101-260 of the Company's 2023 consolidated financial report and CPA audit report
Activity indicators	Number and amount of underwriting, consulting and securitization transactions	FN-IB-000.A	48	See "4.1 Sustainable responsible investment" for details
	Disclose the number and amount of proprietary trading investments and loans by industry	FN-IB-001.A	48	See "4.1 Sustainable responsible investment" for details
	Number of market-making transactions with derivatives (futures/options/warrants) and total transaction amount	FN-IB-002.A	48	See "4.1 Sustainable responsible investment" for details

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Risks and opportunities caused by climate change and the measures taken by the Company to address them

Items	Implementation Status	Page
1. Describe the Board's and management's oversight and governance of climate related risks and opportunities.		72 - 76
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances (short, medium, and long term).		
3. Describe the financial impact of extreme weather events and transformational actions.		
4. Describe how the climate risk identification, assessment and management process is integrated into the overall risk management system.		
5. If a situational analysis is used to assess the resilience to climate change risks, the scenario, parameters, assumptions, analysis factors and key financial impacts used should be described.		
6. If there is a transformation plan to manage climate-related risks, describe the contents of the plan and the indicators and targets used to identify and manage physical and transformation risks.		
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be stated.	No	
8. If climate related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, the annual progress of achievement and other information should be stated; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon credits to be offset or the quantity of renewable energy certificates (RECs) should be stated.	<p>◆ Environmental Management System Concord Securities introduced ISO 14001:2018 environmental management system in 2022, and was certified in early 2023, declaring "environmental protection policy". In order to continuously reduce the energy consumption of the office buildings and operating sites of Concord Securities Headquarter, the Company will update the operating equipment to improve the power efficiency and promote the power management measures. The Company hopes to improve the overall energy efficiency through the two pronged approach of updating the equipment and changing the habits of employees.</p> <p>◆ Greenhouse gas inventory - organization inventory Concord Securities is a financial service industry without large-scale waste pollution, but it is still committed to building it into a comprehensive green enterprise, adhering to the business philosophy and service spirit of "integrity, stability, service and sustainability." ISO 14064-1 greenhouse gas inventory certification has been launched in 2022. In 2023, the total greenhouse gas emissions of Scope 1 and Scope 2 were 1,443.637 MtCO₂e, and 283.682 MtCO₂e were from Scope 3, resulting in a per capita electricity consumption of 349.57 kW·h (2,737,162 kW·h/7,830 persons). According to the 1.5°C warming scenario, the reduction targets of Scope 1 and Scope 2 were set. Taking 2022 as the base year, the short-term target is to reduce energy consumption by 1% compared with the base year by 2023. The mid-term target is to reduce energy consumption by 1% compared with the base year during 2024 to 2025. The long-term target is to reduce energy consumption by 3% in 2026 to 2027. Accordingly, Concord Securities will continue to update energy-saving equipment in the future, implement energy-saving management to improve electricity efficiency, and plan to purchase renewable energy, continuously promote low-carbon transformation and implement the concept of environmental protection, and strive for the sustainable and balanced development of enterprises and the environment.</p>	91
9. GHG inventory and assurance status, as well as reduction targets, strategies, and concrete action plans (also filled in 1-1 and 1-2).	As shown below	92

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord
2. Sustainability strategy and commitment
3. Sustainable Governance
4. Sustainable Finance
5. Happy Workplace
6. Environmental Sustainability
7. Social Co-prosperity

8. Appendix

1-1 Greenhouse gas inventory and confirmation of the situation

1-1-1 Information on GHG inventory

Company Profile	According to the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, at least the following should be disclosed:	
<input type="checkbox"/> Companies with capitalization of over NT\$10 billion, steel industry, cement industry	<input type="checkbox"/> Parent company individual inventory	<input type="checkbox"/> Consolidated financial report subsidiary inventory
<input checked="" type="checkbox"/> Companies with capitalization over NT\$5 billion and less than NT\$10 billion	<input checked="" type="checkbox"/> Parent company only assurance	<input type="checkbox"/> Consolidated financial report subsidiary assurance
<input type="checkbox"/> Companies with less than NT\$5 billion in capital		

		2022		2023	
		Total emissions (MtCO ₂ e)	Intensity (MtCO ₂ e/NT\$ million) (Note 2)	Total emissions (MtCO ₂ e)	Intensity (MtCO ₂ e/NT\$ million) (Note 2)
The Company	Scope 1 Direct GHG emissions	86.870	0.065	88.742	0.031
	Scope 2 Energy indirect emissions	1,468.625	1.102	1354.895	0.480
	Scope 3 Other indirect emissions	297.939	0.224	283.682	0.100
	Subtotal	1853.433	1.390	1727.319	0.612
All subsidiaries listed in the consolidated financial reports	Scope 1 Direct GHG emissions	In accordance with the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, the annual report will disclose information on the greenhouse gas inventory of consolidated subsidiaries in 2025 and information and assurance on the greenhouse gas inventory of consolidated subsidiaries in 2027.			
	Scope 2 Energy indirect emissions				
	Scope 3 Other indirect emissions				
Total		1853.433	1.390	1727.319	0.612

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (Scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (Scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated by unit product/service or turnover, but at least the data calculated by turnover (NT\$ million) should be stated.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

According to the Sustainable Development Roadmap for TWSE/TPEX Listed Companies, the scope of assurance implemented by the Company shall at least cover the following:

1. The parent company shall initiate the implementation of 2026 assurance from 2027.
2. Subsidiaries listed in the consolidated financial reports shall initiate the implementation of 2027 assurance from 2028.

The assurance of the parent company's GHG inventory for the most recent two years is described below:

Scope of assurance		2022	2023
		Total emissions (MtCO ₂ e)	Total emissions (MtCO ₂ e)
The Company	Scope 1 Direct GHG emissions	86.870	88.742
	Scope 2 Energy indirect emissions	1,468.625	1354.895
	Scope 3 Other indirect emissions	297.939	283.682
	Total	1853.433	1727.319
	As a percentage of the inventory data disclosed in 1-1-1 above	100%	100%
Assurance Agency		British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI)	British Standards Institution Group Singapore Pte. Ltd. Taiwan Branch (BSI)
Description of assurance		ISO14064-1: 2018, ISO 14064-3: 2006 Reasonable level assurance was provided for direct greenhouse gas emissions and energy input indirect greenhouse gas emissions (ISO 14064-1:2018 Categories 1 and 2), while limited level assurance was provided for other indirect greenhouse gas emissions (Categories 3 to 6).	ISO14064-1: 2018, ISO 14064-3: 2019 Reasonable level assurance was provided for direct greenhouse gas emissions and energy input indirect greenhouse gas emissions (ISO 14064-1:2018 Categories 1 and 2), while conclusion obtained from assurance and agreed-upon procedures was provided for other indirect greenhouse gas emissions (Categories 3 to 6).
Assurance opinion/conclusion		An unqualified opinion was provided for the result of the GHG inventory report for its full compliance with relevant regulations and appropriate and accurate disclosure of GHG information.	An unqualified opinion was provided for the result of the GHG inventory report (excluding the agreed-upon procedures) for its full compliance with relevant regulations and appropriate and accurate disclosure of GHG information.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note that "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEX.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

1-2 GHG reduction targets, strategies, and concrete action plans

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

The base year for greenhouse gas emissions at Concord Securities is 2022. The total carbon emissions of Scope 1 and Scope 2 amounted to 1,468.625 metric tons CO₂e. Reduction targets have been formulated based on Scope 1 and Scope 2 emissions for the base year. Our short-term target is to reduce energy consumption by 1% in 2023 compared to the base year. Our medium-term target is to reduce energy consumption by 1% from 2024 to 2025 compared to the base year. Our long-term goal is to reduce energy consumption by 3% from 2026 to 2027 compared to the base year.

Implementation of electricity conservation plans, water conservation plans, and waste reduction plans for reduction strategy:

1. Newly installed and upgraded lighting fixtures and water facilities are equipped with energy-saving labeled products.
2. The air conditioner is a variable frequency high power unit with a thermostatic control device and is set to an average room air conditioning temperature of not less than 26°C.
3. Smart energy-saving sensor lighting has been installed in the toilets on all floors of the Headquarters.
4. We regularly promoted waste reduction and classification, refrained from using products lacking environmental protection concepts, minimized the use of disposable products, decreased the volume of discarded office waste, and diligently enforced resource recycling and food waste classification. These efforts were aimed at enhancing colleagues' environmental awareness and gradually achieving our reduction target.

In 2023, a total of 1,141 lighting fixtures were replaced, estimated to save about 128,600 kWh of electricity per year. Additionally, split-type air conditioners in the server room were replaced, expected to conserve about 28,500 kWh of electricity per year. Old equipment, such as UPS facilities, was replaced, and major maintenance was conducted on the time-controlled air conditioning system. In 2023, water usage facilities, including urinals, toilets, sensor faucets, etc., in restrooms on the 10th and B1 floors of the Headquarters were replaced with water-efficient labelled products, which can save about 7,000 m³ of water per year. In April 2023, we began to weigh wastes and record their weight and promote waste reduction and classification on a regular basis.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

■ ISO 14001:2015 Environmental Management System certification

CONTENTS

- About this Report
- Message from the Chairperson
- 2023 Key Sustainability Performance
- 1. About Concord
- 2. Sustainability strategy and commitment
- 3. Sustainable Governance
- 4. Sustainable Finance
- 5. Happy Workplace
- 6. Environmental Sustainability
- 7. Social Co-prosperity
- 8. Appendix




Certificate of Registration

ENVIRONMENTAL MANAGEMENT SYSTEM - ISO 14001:2015

This is to certify that: **Concord Securities Co., Ltd.**
B1,B2,9F,10F,14F,15F,
No. 176, Sec. 1, Keelung Rd.,
Xinyi Dist.,
Taipei City
110408
Taiwan

康和綜合證券股份有限公司
臺灣
台北市
信義區
基隆路一段176號
B1、B2、9樓部分、10樓部分、14樓部分、15樓
110408

Holds Certificate No: **EMS 781902**

and operates an Environmental Management System which complies with the requirements of ISO 14001:2015 for the following scope:

The provision of securities business service and management in the headquarter building
總部大樓證券業務服務與管理


 For and on behalf of BSI: **Michael Lam - Managing Director Assurance, APAC**

Original Registration Date: 2023-01-17
Latest Revision Date: 2023-01-17

Effective Date: 2023-01-17
Expiry Date: 2026-01-16

Page: 1 of 2





...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.
Taiwan Headquarters: 2nd Floor, No.37, 3-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

■ ISO 45001:2018 Environmental Safety and Health System certification




Certificate of Registration

OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM - ISO 45001:2018

This is to certify that: **Concord Securities Co., Ltd.**
B1,B2,9F,10F,14F,15F,
No. 176, Sec. 1, Keelung Rd.,
Xinyi Dist.,
Taipei City
110408
Taiwan

康和綜合證券股份有限公司
臺灣
台北市
信義區
基隆路一段176號
B1、B2、9樓部分、10樓部分、14樓部分、15樓
110408

Holds Certificate No: **OHS 781905**

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 business service and management in the headquarter building
總部大樓證券業務服務與管理


 For and on behalf of BSI: **Michael Lam - Managing Director Assurance, APAC**

Original Registration Date: 2023-01-17
Latest Revision Date: 2023-01-17

Effective Date: 2023-01-17
Expiry Date: 2026-01-16

Page: 1 of 2





...making excellence a habit.™

This certificate was issued electronically and remains the property of BSI and is bound by the conditions of contract.
An electronic certificate can be authenticated [online](https://www.bsi-global.com/ClientDirectory).
Printed copies can be validated at www.bsi-global.com/ClientDirectory or telephone +886 (02)2656-0333.
Taiwan Headquarters: 2nd Floor, No.37, 3-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies.

■ ISO 14064-1: 2018 Greenhouse Gas Inventories certification

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance




4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Opinion Statement

Greenhouse Gas Emissions Verification Opinion Statement

This is to verify that: **Concord Securities Co., Ltd.**
B.1, B.2, 9F., 10F., 14F. & 15F.
No. 176, Sec. 1, Keelung Rd.
Xinyi Dist.
Taipei City
110408
Taiwan

康和綜合證券股份有限公司
臺灣
台北市
信義區
基隆路1段176號B1、B2、9樓部分、10樓部分、14樓部分與15樓110408


Holds Statement No: GHGEV 784892

Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-1:2019, it is the statement for mixed engagement including reasonable assurance for verification activity as well as validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with Concord Securities Co., Ltd. for the period from 2023-01-01 to 2023-12-31 was verified and validated.
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 88,7418 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 1,354,8951 tonnes of CO₂ equivalent.
- Concord Securities Co., Ltd. has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.

For and on behalf of BSI:


 Managing Director BSI Taiwan, Peter Pu


Originally Issue: 2024-04-12 Latest Issue: 2024-04-12

Pages: 1 of 4

...making excellence a habit.™

The British Standards Institution is independent to the above named client and has no financial interest in the above named client. This Opinion Statement has been prepared for the above named client only for the purposes of verifying its statements relating to its carbon emissions more particularly described in the scope. It was not prepared for any other purpose. The British Standards Institution will not, in providing this Opinion Statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used or to any person by whom the Opinion Statement may be read. This Opinion Statement is prepared on the basis of review by The British Standards Institution of information presented to it by the above named client. The review does not extend beyond such information and is solely based on it. In performing such reviews, The British Standards Institution has assumed that all such information is complete and accurate. Any queries that may arise by virtue of this Opinion Statement or matters relating to it should be addressed to the above named client only.
Taiwan Headquarters: 2nd Floor, No. 37, 3-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
BSI Taiwan is a subsidiary of British Standards Institution.

■ PWC Limited Confirmation Report

會計師有限確信報告

資會證字第 23011719 號

康和綜合證券股份有限公司 公鑒。

本會計師受康和綜合證券股份有限公司（以下簡稱「貴公司」）之委託，對 貴公司選定 2023 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，並根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 2023 年度永續報告書第 100 頁之「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第 2 頁之「報告邊界與範圍」段落說明。

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

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有導因於舞弊或錯誤之重大不實表達。

先天限制

本家諸多確信項目涉及財務資訊，相較於財務資訊之確信受有先天限制。對於資料之相關性、重大性及正確性等之賢性解釋，則受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。

1

寶誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
LUXAS 臺北中區信託估價樓第一層 555 號 47 樓
27F, No. 353, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F: +886 (2) 2729 6666, www.pwc.tw

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix



本事務所適用品質管理準則「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，包含與選編載重造規範、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。

依據確信準則 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合適性、評估所選定之關鍵績效指標等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，以及與相關記錄之核對或調節。

基於本案件情況，本會計師於執行上述程序時：

- 已對參與編製所選定之關鍵績效指標之相關人員進行訪談，以瞭解編製前述資訊之流程，以及相關之內部控制，以辨識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 2023 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照適用基準編製之情事。

其它事項

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

資誠聯合會計師事務所

會計師

吳尚熾



中華民國 113 年 6 月 17 日

Summary of Information Assured

CONTENTS

About this Report

Message from the Chairperson

2023 Key Sustainability Performance

1. About Concord

2. Sustainability strategy and commitment

3. Sustainable Governance

4. Sustainable Finance

5. Happy Workplace

6. Environmental Sustainability

7. Social Co-prosperity

8. Appendix

Items	KPIs selected	Applicable criteria	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Page
I	Number of data leakage incidents of Concord Securities in 2023: ■ Number of Data Leakage Incidents: 1 ■ Ratio of Personal Information Related Data Leakage Incidents: 100% ■ Number of Customers Affected by Data Leakage Incidents: 12	Statistics on the number of data leakage incidents, ratio of personal information related data leakage incidents, and the number of customers affected by data leakage incidents of Concord Securities Co., Ltd. in 2023 were conducted in accordance with the definitions outlined in Concord Securities' "Operation Rules for Information Security Incident Management" and "Regulations for Personal Data Infringement Incidents Management." Note: 1. Number of Data Leakage Incidents Concord Securities has reported information security incidents that occurred to the competent authorities through the Securities and Futures Industry Information Security Reporting System. Additionally, we have filled out the "Financial Supervisory Commission Information Security Incident Reporting Form" and notified the Risk Management Office using the "Operational Risk Incident Reporting Form" to confirm the number of data leakage incidents. 2. Ratio of Personal Information Related Data Leakage Incidents Numerator: The number of personal information related data leakage incidents was extracted from Concord Securities' "Personal Data Infringement Incident Reporting Form." Denominator: The statistical quantity outlined in item 1. 3. Number of Customers Affected by Data Leakage Incidents The statistics on the number of customers affected by data leakage incidents are extracted from Concord Securities' "Personal Data Infringement Incident Reporting Form" and "Operational Risk Incident Reporting Form."	Article 2 Attached Table No. 1	46
II	In 2023, both the number and the amount of assistance offered by Concord Securities to small and medium-sized enterprises in raising funds in the capital market were 0.	Not applicable (no such business)	Article 2 Attached Table No. 2	--
III	In 2023, the Company held activities of "Concord Spreads Love, financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas, new immigrants, and elderly." A total of 4 sessions were conducted, with 92 participants in total. In 2023, we held 13 sessions of "Way to Financial Richness Led by Experts - Financial Management Seminar and Anti-Fraud Awareness Campaign." A total of 14 enterprises and groups from around Taiwan participated, with 445 attendees in total.	According to the "Q&A on the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," the definition of disadvantaged groups is as follows: disadvantaged groups of people lacking banking services, which include but are not limited to students, youth, new immigrants, the elderly, and ethnic minorities, low-income households, etc., or those defined by the financial and insurance institutions. Therefore, we compiled statistics on the number of seniors who participated in the "Concord Spreads Love, financial management concept and anti-fraud awareness campaigns for disadvantaged in rural areas, new immigrants, and elderly." The number of seniors who participated in the "Way to Financial Richness Led by Experts - Financial Management Seminar and Anti-Fraud Awareness Campaign."	Article 2 Attached Table No. 3	57
IV	To provide financial services for small fund investors, we have launched a thousand dollar share deposit plan. It is recommended that small fund investors regularly purchase stocks in fixed amounts to diversify their risks. In 2023, the cumulative number of thousand dollar share deposit: 12,909 accounts.	1. Statistics was compiled on the number of customers who signed the "Risk Notice - After-Hours Odd-Lot Appointment Trading Contract" as of 2023. 2. If a securities account has multiple accounts, it will be calculated based on the account ID number (i.e. the same ID number is counted only once).	Article 2 Attached Table No. 4	52

