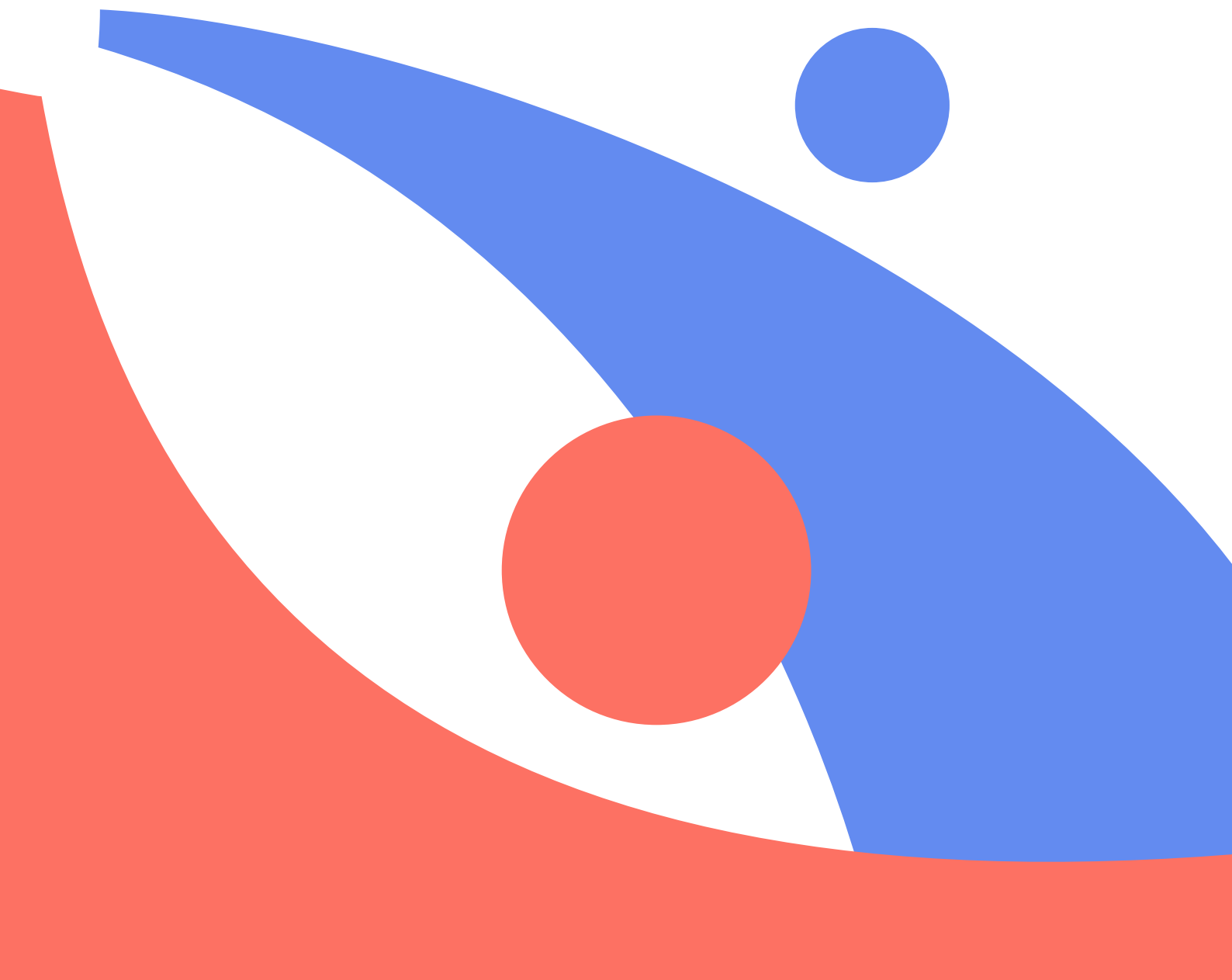




2022 GOOD FINANCE ESG INTEGRATION REPORT



About the Report

I. Basic Information

- Company Name: Good Finance Securities Co., Ltd.
- Establishment Date: July 7, 1988
- Capital: NT\$3.11 billion
- Headquarter Address: 4F, No. 176, Sec. 2, Minsheng E. Rd., Taipei City
- Chairman: Ku-Han Huang
- General Manager: Ta-Hsiu Chuang
- Total Employees: 386
- Operating Bases: 12 (headquarters and branch offices are all in Taiwan, no overseas offices)
- Sector: Securities

II. Communication Channels and Contact Details

- Company Website: <https://www.goodfinance.com/>
- Telephone: +886-2-25084888
- E-mail: csr@goodfinance.com
- Spokesperson: Hui-Cheng Shen, Vice President

III. Report Boundaries and Scope

The Company regularly publishes an annual ESG report to disclose the economic, environmental and social information concerning the Company's performance of sustainable development in the previous year (1/1 to 12/31). The report boundaries are set to cover the Company's entire operation in all 12 operating bases including the branch companies, headquarters, Good Finance Securities Investment Advisors Co., Ltd., and Good Finance PE Co., Ltd. This report is prepared in accordance with the GRI Standards. The information and statistics in the report are results of the Company's own calculation and investigation. The financial figures are based on the information audited, signed and openly published by accountants. All financial figures come in the unit of NTD.

This report is simultaneously published on the Company website for browsing, <https://www.goodfinance.com/>, as well as undergoing regular annual updates.

IV. Reporting Principles and References

This report is prepared in accordance with the GRI Universal Standards 2021, and it aligns with Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, Recommendations of the Task Force on Climate-related Financial Disclosures, Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies and Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms.

V. Report Verification

This report strives to disclose correct information, present it in a reasonable and appropriate manner, and comply with the international principles of disclosure by GRI Standards. PricewaterhouseCoopers Taiwan has reviewed and provided limited assurance regarding the sustainability metrics disclosed in this report.

VI. Restatements of information

Any information provided in the previous report has an impact reason for the recompilation: no recompilation.

Last ESG Report published: Issued in September 2022

Next ESG Report to be published: Scheduled for September 2024

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Letter from the Chairman

Chapter 01 | Letter from the Chairman

From the end of 2022, financial institutions around the world have been experiencing a series of issues, including the collapse of the cryptocurrency exchange FTX, the closure of Silicon Valley Bank, and the crisis at Credit Suisse in Switzerland. These events are not only reminders to the head of financial institutions worldwide but also highlights the magnitude and weight of their responsibilities.

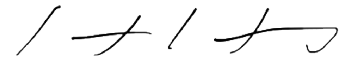
Last year's sustainability report mentioned the book "Finance and the Good Society" written by Nobel laureate economist Robert Shiller in 2012. The book emphasizes that finance is an industry that gathers and directs capital. Capital, like water in the universe, holds the potential for life. With capital, opportunities, growth, development, and innovation become possible. As the Chinese proverb wisely states, "water can carry a boat, but it can also capsize it." Society needs finance, but it needs good finance even more to achieve a better society. As the chairman of a financial enterprise based in Taiwan, this serves as a valuable alert and reminder for me.

The company is still in the foundational stage, and efforts over the past year have been similar to the previous year, focusing on establishing internal systems to create a solid foundation for the company's long-term development of over a decade. Sustainability is not just a topic but an ingrained habit, mindset, and attitude. When building the company culture and internal systems, long-term thinking and a broad perspective have become habitual. The values of long-term, balanced, and sustainable practices are integrated into daily strategies, plans, and work across departments, functions, and levels.

In terms of investment and management, we will exert more effort in Taiwan to discover international-level investment opportunities. By participating in the development of enterprises with long-term international competitiveness, we can have a greater impact on sustainability. In promoting financial knowledge inclusivity, besides our plan to digitize our funded financial literacy publication "1611" by 2023, we are also launching the "Good Learning" series in spring 2023. This series will feature various financial and wealth management courses aimed at helping individuals of different ages and backgrounds establish a solid foundation in financial literacy. Our goal is to reach tens of thousands of people, both online and offline, with high-quality financial knowledge and

build a community of financial literacy enthusiasts. This initiative not only focuses on nurturing talent in green and sustainable finance internally but also aims to consolidate sustainable values with society, establishing a common language for social engagement and work rooted in long-term thinking and sustainability principles.

Sustainability has become a universal value in the world today, finance and technology play crucial roles in driving sustainable development. As a financial enterprise based in Taiwan with a global outlook, we firmly believe that with knowledge, awareness, and execution capabilities, we can establish an excellent team that is not only committed and dedicated but also socially responsible. This team will create products and build a company with long-term international competitiveness. This is an achievable goal that we strive for. Despite being a small company, we believe that Good Finance is making efforts to contribute to the positive cycle of sustainable finance.



Chairman **Ku-Han Huang**

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Stakeholder Engagement

Chapter 02 | Stakeholder Engagement

I. Stakeholder Identification and Communication

Good Finance has established the “Sustainable Development Promulgation Team” in order to promote the goals of sustainable development and corporate social responsibilities. The general manager of the Company serves as the convener of the Team, which consists of the heads of the brand department, the client partner department, the human resources department, the legal compliance department, the audit department, the risk management department, the finance department, the operation department and the technology department. With full discussion among the team members considering the importance, dependence and responsibility of the stakeholders to the Company, six groups of key stakeholders are identified: investors, employees, customers, the government & governing authorities, suppliers, communities & NPOs/NGOs.

With multiple clear communication channels, Good Finance and stakeholders both understand the major issues concerning the Company. The Company formulates countermeasures for the issues accordingly and incorporates them into the implementation of daily corporate social responsibilities. As we set out to meet the expectations of stakeholders, we expect to assume more corporate social responsibilities and establish a corporate culture that is pro sustainable development.

The Company’s primary communication channels are as shown in the table below:

Stakeholders	Communication channels and methods	Communication frequency	Key issues
Investors	Host shareholder convention	Annually	Corporate governance mechanism
	TWSE Market Observation Post Station	Intermittently	Profitability and management performance
	Published financial statements /annual reports	Regularly	Stakeholder engagement
	Set up contact person and email address	Intermittently	
	Investor Zone on the Company website	Intermittently	
	Investor Conference	Annually	
Employees	Hold brokerage meetings	Monthly	Stakeholder engagement
	Conduct performance appraisal	Annually	Compensation and benefits
	Organize communication meetings between employees and supervisors	Intermittently	Labor-employment relations
	Set up general manager mailbox	Intermittently	
	Convene labor-management meetings	Quarterly	
	Install physical bulletin boards	Intermittently	

Stakeholders	Communication channels and methods	Communication frequency	Key issues
Customers	Set up customer service hotline and mailbox	Intermittently	Service quality and customer satisfaction
	Organize forums and seminars	Intermittently	Maintain customer rights and interests
	Organize customer networking events	Intermittently	Financial education promotion
Government and governing authorities	Align with the check of the main regulatory authorities	Intermittently	Company governance mechanism
	Maintain interaction with governing authorities		
Suppliers	Proactively purchase environmentally and socially friendly products	Intermittently	Response to environmental protection
Communities & NPO/NGO	Donation for charities	Intermittently	Charitable care
	Join charitable events	Intermittently	Enterprise volunteer
	Join securities associations	Regularly	
	Act for environmental protection	Intermittently	

II. Identification of Material Topics

During the process of stakeholder engagement, Good Finance has become aware of stakeholders' topic areas of concern and the level of their concern for each topic. Regarding the level of impact each topic has on the economy, environment and society, the Company's Sustainable Development Promulgation Team ranks and screens the topics based on their ratings. Five material topics to consider are eventually identified and categorized as such: Corporate Governance, Customer Concern, Employee Care, Environmental Protection and Social Participation. The identification results of each topic are shown in the diagram below:

Identification of material topics Matrix diagram

Company governance

1. Management credibility
2. Guidelines for environmental and social issues
3. Company governance mechanism
4. Risk management
5. Profitability and management performance
6. Information disclosure
7. Stakeholder engagement
8. Law compliance

Customer concern

9. Digital services
10. Service quality and customer satisfaction
11. Maintain customer rights and interests
12. Customer data confidentiality
13. Service bases and channels

Employee care

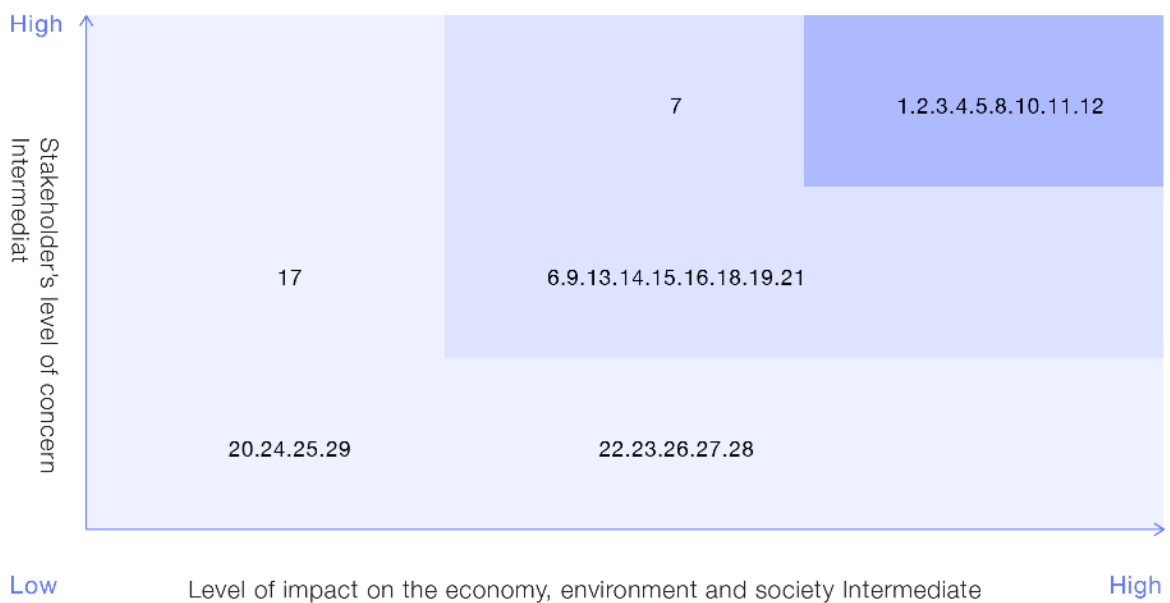
14. Remuneration and benefits
15. Employee education and training
16. Employee health enhancement
17. Employee communication
18. Respect human rights
19. Female employee care
20. Employee recruitment and diversity
21. Workplace safety

Environmental protection

22. Paper reduction
23. Management of energy use
24. Water resources management

Social participation

25. Charitable care
26. Response to environmental protection
27. Enterprise volunteer
28. Financial education promotion
29. Industry-academia collaboration



III. Major Considerations of the GRI Standards

The identified material topics corresponding to major considerations of the GRI standards are outlined as followed:

Corresponding material topics	Major considerations of the GRI standards	Major considerations of the GRI standards
Profitability and management performance / Risk management / Stakeholder engagement	201 Economic performance	Good Finance Securities, Good Finance Securities Investment Advisors, and Good Finance PE
Compensation and benefits	202 Market Presence	
Company governance mechanism / Management credibility / Prevent money laundering and combat terrorism financing	205 Anti-corruption	
Environmental and social guidelines	419 Socioeconomic Compliance	
Service quality and customer satisfaction / Maintain customer rights and interests	416 Customer Health and Safety	
Digital services	417 Marketing and Labeling	
Customer data confidentiality	418 Customer privacy	
Remuneration & benefits / Employee health enhancement / Female employee care	401 Employment	
Employee communication	402 Labor-management relations	
Employee education and training	404 Training and Education	
Employment recruitment and diversity	405 Employee diversity and equal opportunity	
Respect human rights	406 Non-discrimination	
Management of energy use / paper reduction	302 Energy	

Compared with the previous reporting period, there were no significant changes in the Company's organization nor in the supply chain, nor any information revision, nor marked changes in the boundaries of considerations and scope.

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Corporate Governance

Chapter 03 | Corporate Governance

I. Company Overview

Ta Ching Securities Co., Ltd., the former Good Finance, was founded in 1988. After years of stable growth, the Company became listed on a stock exchange in 2003, with its business scope covering securities brokerage, futures, proprietary trading, underwriting, bonds, new financial commodities and e-commerce. The subsidiary, Ta Ching Securities Investment Consultant Co., Ltd., was established in 2015 consisting of 12 operating bases to mainly serve the Taiwan region. The overseas business is limited to the scope of foreign securities trading markets designated by the governing authorities.

Prompted by the need of sustainable development, the Company's shareholding structure underwent significant modification in 2018 along with drastic reshuffle of Board of Directors. Also in 2018, Caterpillar Capital Co., Ltd. joined the Company with capital injection and a management team hoping that the new management team would reinforce the Company's financial technology and asset management business to break through limitations of conventional brokerage operation.

Our company established the subsidiary "Ta Ching Securities Investment Advisors Co., Ltd." (renamed as "Good Finance Securities Investment Advisors Co., Ltd.") in 2015. Subsequently, in 2020, we established the subsidiary "Ta Ching Private Equity Co., Ltd." (renamed as "Good Finance Private Equity Co., Ltd.").

II. Short- and Long-term Development Plans

(I) Short-term development plan

1. Brokerage business: to achieve inclusive finance and to provide customers with necessary and comprehensible market information, the Company has launched two services: 1. "Market Observer", at 8:10 a.m. on each stock market opening day, punctually rolls out push notification of market information with multiple integrated data. The idea is for customers to become efficient market observers together with us. 2.

"Stock Market Trading Column" near the end of each month presents a list of enterprises to watch out for, based on our market and financial reports. We hope to integrate knowledge and financial technology to solve financial challenges for more people and to embody good finance.

2. Proprietary business: Through expanding our investment team and enhancing our research system, we aim to improve capital allocation efficiency. This strategic approach enables us to hold high-quality stocks for the long term, resulting in an annual stable dividend income of approximately 200 million and net asset value growth..
3. Underwriting business: The Company's underwriting department has transformed into an investment banking department, providing the best services for assets and liability management for financial legal persons, corporate legal persons and legal persons.

(II) Long-term development plan

To consolidate the market position of our brokerage business and accelerate technology construction and digital transformation, Good Finance will focus on wealth management that has growth potential and transform its business model to place equal importance on brokerage business and assets management. The aim is to build a financial institution with a long-term stable and profitable constitution and centered on long-term interests of customers.

1. Development of asset management business: the Company classifies the financial business into two categories: flow and stock, and brokerage is a business of flow, which is subject to the fluctuation of market trading volumes, but also fetches a huge customer base and data entry. The Company currently has NTD140 billions of customer assets, 200,000 account openings, 67,000 annual active customers, and 5,000 daily live transactions, all of which are rare, diversified transformation assets and an important foundation and entry for the development of stock business.
2. Technology investment: Technology is disassembling finance, and the future of finance is technology. Technology ushers in new possibilities for finance, and the financial services that humanity needs are changing rapidly. Our goal is to leverage technology to improve brokerage

customer satisfaction and enter the market of younger investors, as well as providing diversified investment channels for customers. We intend to provide customers with convenient and real-time order placement in the sector of traditional brokerage trading and advise on customized needs in the sector of wealth management.

3. Recruiting cross-sector high-level talents: As the development of the securities market diversifies, digital finance is becoming an international trend, and the need for securities firms to recruit cross-sector talents is increasing in order to facilitate business transformation or boost competitiveness. As such, the Financial Supervisory Commission has, from October 2020 onwards, relaxed the relevant provisions of the guidelines governing the management of directors and business personnel of securities firms, and added the clause that people with more than 6 years of work experience and an excellent track record in such specialized fields as information, technology, law, e-commerce and digital economy may serve as a securities firm manager. In the past two years, the Company has continuously recruited over 100 outstanding cross-sector diverse talents to accelerate the Company's investment in financial technology and financial product innovation, with a view to soon become one of the most innovative financial institutions in the Taiwan market.
4. Revampment of current operating bases: In 2020, the Company's largest business sites, Fushun Branch Company and Taipei Headquarters, underwent a spatial upgrade and renovation, which will continue for other operating sites to explore more possibilities for providing a full range of financial advisory services and brand experience.

Key factors involved in building Good Finance into a sustainable company include understanding global and industry trends, leveraging core business expertise, adhering to integrity and credibility, and taking responsible and innovative actions to influence stakeholders within the scope of the Company operations. The Company strives to promote sustainable development that encompasses corporate governance, environmental protection and social inclusion, which will be implemented by all employees at the workplace and in everyday life. The Company also pays close

attention to domestic and international guidelines for sustainable development and changes in corporate environments to review, improve and modify the Company's sustainable development system accordingly and to thereby enhance its effectiveness.

III. Corporate Governance Mechanism

(I) System of the Board of Directors

The company has established a robust corporate governance framework. The shareholders' meeting is responsible for reviewing significant matters such as amending the bylaws and appointing directors. The shareholders' meeting establishes a Board of Directors, which serves as the highest governing unit of the company, with the Chairman of the board acting as its chairperson.

The Board of Directors guides the company's strategy, oversees management, and is accountable to the company and its shareholders. The various operations and arrangements of the corporate governance system should ensure that the board of directors exercises its powers in accordance with laws, the company's bylaws, or resolutions of the shareholders' meeting.

(II) Board diversity

Currently, our company's Board of Directors consists of 10 members, including 3 independent directors. The board members possess expertise in various fields such as finance, financial accounting, investment, law, technology, and brand design. Among the current board members, there is one female director, accounting for 10% of the total. Recognizing the importance of board diversity, we are committed to increasing the participation of women in decision-making, in line with the principles of board diversity.

(III) Independence of directors and conflict of interest prevention and management

To ensure the independent directors can objectively exercise their duties, our company has established guidelines in the "Corporate Governance Code" that state independent directors cannot serve more than three

consecutive terms. This is to prevent a decline in their independence due to prolonged service. Currently, our three independent directors have an average tenure of less than three years, with no individual serving for more than nine years.

Our company places great emphasis on the independence of directors. The Chairman and CEO positions are not held by the same person, nor do they involve individuals who are spouses or close relatives within the first degree of kinship. Furthermore, there are no instances of directors having spouses or close relatives within the second degree of kinship serving on the board. The independent directors possess the required independence as defined by regulatory authorities, and they do not hold positions as independent directors in more than one publicly traded company.

According to our "Corporate Governance Code," directors are expected to uphold a high level of integrity. When board resolutions involve personal interests of individual directors, the criterion for abstaining is not merely potential harm to the company's interests but any personal interest involved. If there is a conflict of interest with a director's representative legal entity, the director is obligated to abstain from participating in discussions and voting, and they cannot act as a proxy for other directors in exercising their voting rights. Directors should also exercise self-restraint and refrain from inappropriate mutual support. During the board meetings held in 2022, directors who had personal interests or interests through their representative legal entities abstained from discussions and voting on relevant agenda items. There were no instances of directors acting as proxies for other directors, and detailed records of these matters were accurately documented in the board meeting minutes.

(IV) Board effectiveness

1. Attendance rate of the board: In 2022, our board of directors held a total of 10 meetings, with an overall average attendance rate of 97.2%. Resulting in a 100% attendance rate when accounting for proxy attendance. Individually, each director's actual attendance rate was also above 90%.
2. Training of directors: To enhance the functional expertise of our directors in various areas and broaden their knowledge in operations, industries, and emerging issues, we arrange a variety of courses for directors' professional

development each year. In 2022, our company organized two director training courses: "Financial Consumer Rights and Principles of Fair Treatment with Case Analysis" and "The Latest Trends in Anti-Money Laundering and Countering the Financing of Terrorism (including Insider Trading Prevention Awareness)." These courses totaled 6 hours of training.

(V) Functional committees

To effectively fulfill the functions of the board of directors and enhance the quality of decision-making, we have established several functional committees under the board, including the Audit Committee, Compensation Committee, and Risk Management Committee. These committees are responsible for discussing important matters. They are composed of independent directors or involve their participation, ensuring the objectivity and comprehensiveness of the committee's decisions and recommendations.

1. Audit Committee: The Audit Committee consists of all independent directors, with a minimum of three members. At least one member should possess accounting or financial expertise.

2. Compensation Committee: The responsibilities of the Compensation and Compensation Committee include establishing and periodically reviewing performance evaluation criteria for directors and executives, annual and long-term performance targets, compensation policies, systems, standards, and structures. The committee also evaluates the achievement of performance targets by directors and executives and, based on the evaluation results derived from the performance evaluation criteria, determines the content and amount of individual compensation. The committee consists of three members, with at least one independent director participating. The committee members elect an independent director as the convener and chairperson of the meetings.

3. Risk Management Committee: The Risk Management Committee is primarily responsible for formulating risk management policies and frameworks, setting risk measurement standards, managing overall risk limits for the company, and risk limits for each unit. The committee comprises a minimum of three members, appointed by the board of directors, who are members of the board. It should include at least one

independent director with expertise in securities and derivative financial instruments, accounting, or finance, who also serves as the convener of the committee.

(VI) The performance evaluation of the Board of Directors and functional committees

The performance evaluation of the Board of Directors and functional committees in our company includes the overall assessment of the board, individual director members, and the performance of each functional committee. The evaluation methods may involve self-assessment within the board and functional committees, self-assessment by director members, or other appropriate means of performance evaluation.

The results of the 2022 performance evaluation of the board of directors and functional committees are as follows:

Board of Directors:

- (1) Self-assessment by directors: All ten directors participated in the self-assessment, with a total of 25 assessment items. The achievement rate was above 90%.
- (2) Board self-assessment: There were a total of 46 assessment items, with an achievement rate above 90%.
- (3) Based on the evaluation results mentioned above, it is evident that the operation of the board of directors in our company has demonstrated the expected effectiveness.

Audit Committee: There were a total of 17 assessment items, with an achievement rate above 90%, indicating that the operation of the audit committee in our company has demonstrated the expected effectiveness.

Compensation Committee: There were a total of 14 assessment items, with an achievement rate above 90%, indicating that the operation of the Compensation Committee in our company has demonstrated the expected effectiveness.

Risk Management Committee: There were a total of 17 assessment items, with an achievement rate above 90%, indicating that the operation of the Risk Management Committee in our company has demonstrated the expected effectiveness.

IV. Business Scope

The table below shows the business scope of each department within the Company:

Department	Business
General Manager Office	Handling tasks related to procurement administration and corporate social responsibilities
Audit Department	Viewing and assessing the institutional adequacy of internal controls; ensuring compliance with policies, ordinances and regulations; executing audit plans on a regular basis and proposing ideas for improvement and other related tasks.
Risk Management Department	Monitoring the risks that the Company and all departments are exposed to; ensuring risk control of all departments are within the scope of authorized quotas approved by the Company and other related tasks.
Strategy Department	Responsible for annual management plans and business performance evaluation, while providing insight into markets, competition and business outcomes as well as mid/long-term development plans.
Legal Compliance Department	Responsible for the supervision, planning, execution and management of legal compliance, money laundering prevention and anti-terrorism financing, as well as legal affairs consultation, contract review, litigation and non-litigation legal cases handling and other related tasks.
Investment Department	Responsible for the centralized proprietary buying and selling domestic and overseas in trading markets, on business premises; engaging in related overseas derivative hedging transactions, outright purchase and sale of bonds, conditional transactions of bonds, bond trading and other related businesses approved by governing authorities.

Department	Business
Investment Banking Department	Giving consultation to public companies regarding securities issuance, listing and over-the-counter related matters, underwriting of stocks, corporate bonds and other securities and financial consultation and other related businesses.
Product Department	Planning the Company's overall product development strategies; responsible for the development and promotion of various financial commodities and technology products and other related businesses.
Technology Department	Responsible for the planning, design and maintenance of computer hardware and software, the backup and management of the Company's various computer operation data and other related business.
User Experience Department	Planning the Company's overall product experience development strategies; responsible for user studies and user experience design of various products and their development and promotion and other related businesses.
Brand Department	Responsible for the Company's brand and PR profile management, marketing management, financial education, space optimization, customer experience and other related businesses.
Client Partner Department	Accepting and handling entrusted buy and sell of securities, entrusted buy and sell of futures by futures traders, asset management and other related businesses.
Operation Department	Responsible for the account settlement of various financial commodities of the Company headquarters and branch companies and all back-end related businesses including the integration planning of operating processes and systems, the formulation of operational regulations, the standardization of operating processes and futures risk control, settlement & clearing and other related businesses.
Finance Department	Planning the Company budget and execution control, fund application & procurement, accounting & tax handling, income & expense tracking and other related business.
Human Resources Department	Supporting the fulfillment of the Company's core business objectives We continue to implement and deepen the Company culture and values through recruitment, education and training, Compensation & bonuses and performance appraisal.

1. Accept commission to provide research, analysis opinions or suggestions on matters related to securities investment.
2. Issue publications related to securities investment.
3. Conduct seminars on securities investment.
4. Discretionary investment management.
5. Other securities investment consultation as approved by governing authorities.

(II) The main primary business of Good Finance PE Co., Ltd. is as follows :

1. General investment industry: investment in all kinds of sectors/businesses including agriculture, forestry, fishing, animal husbandry, industry, mining, commerce, service companies, securities companies, banking & insurance companies, trading companies, cultural business companies, construction of residential buildings, commercial building companies, recreation businesses and tourist hotels.
2. Venture capital: provide invested businesses with direct funds and advisory services on enterprise operation and management.
3. Investment Consultation: engage in the introduction, advisory and consultation of domestic and overseas investment excluding securities investment consultation.
4. Management Consultation: provide discussion and exploration of business management, consulting and related issues including business management consulting and venture capital business management consulting.

V. Profitability and Management Performance

A company's profitability and management performance are important indicators of the enterprise's sustainable development and also a major topic of concern to stakeholders such as shareholders and employees. For more than 30 years, Good Finance has used brokerage and margin trading and short selling as the first round of profit engines and has gradually built more engines through the business reform: "Proprietary investment

engine", "Financial product engine" and "Technology product engine". Each engine is built at a different speed and is yet gradually changing the Company's constitution and stabilizing its profitability. For example, shareholders' capital efficiency has been improved through the proprietary investment engine. For customers with fixed income needs, we launched the first self-produced, self-made and self-marketed asset management products. We hope to lay down the second cornerstone for the next 30 years of development to cope with the handling fees and the nature of market fluctuation.

Decent management performance will not only bring wealth to shareholders, but also create long-term value for the society. The management activities of Good Finance are planned and executed with customers' long-term interests at its core, adding value to the assets entrusted by customers, while generating revenue for the Company revenue and providing more benefits and care for employees. The Company values long-term over short-term profits and holds the view that the fundamental measure of success is how much long-term and beautiful value the team can create for shareholders and the society.

(I) The proportion of operating revenue of major businesses

The list of operating revenue of major businesses and their proportion in the past 2 years is shown in the table below:

Unit: thousand NTD

Project / Year	FY2022		FY2021	
	Amount	%	Amount	%
Brokerage Business	626,878	72.11	1,082,599	82.96
Proprietary Business	181,411	20.87	179,313	13.74
Underwriting Business	149	0.02	1,115	0.09
Futures Business	35,388	4.07	37,128	2.84
Other departments	25,523	2.93	4,872	0.37
Total	869,349	100.00	1,305,027	100.00

(II) The proportion of operating revenue of major businesses

The concise consolidated income statement for the past two years (following the International Financial Reporting Standards) is shown in the table below:

Unit: thousand NTD

Project / Year	FY2022	FY2021
Earnings	843,827	1,300,154
Expenses	(868,067)	(985,318)
Other profits and losses	55,442	38,121
Net profit before taxes	31,202	352,957
Net profit for the current period	52,497	320,987
Earnings per share (NTD)	0.17	1.05

(III) Dividends and related information

If the Company makes a profit over the fiscal year, it shall allocate no less than 1% as employee compensation, which shall be distributed in shares or cash as determined by the Board of Directors resolution. No more than 1% of the aforementioned amount of profit obtained by the Company shall be allocated as compensation for the board directors according to the Board resolution. The compensation distribution for employees and the Directors shall be submitted to the shareholders' meeting report. However, when the Company still has accumulated losses, it shall retain the compensation amount before allocating the rest to the employee and director compensation in accordance with the aforementioned proportion.

If there are earnings in the Company's annual balance account, a specific amount shall be allocated first for taxes and compensation for previous losses. Secondly, 10% of the statutory surplus reserves shall be withdrawn,

and the special surplus reserve shall be allocated in proportion to the provisions of the governing authority. Additionally, after the special surplus reserve is listed or reversed according to the law, if there is still a surplus, it shall be consolidated to the accumulated undistributed surplus. The Board of Directors shall formulate a proposal for the distribution of the surplus and submit it to the shareholders' meeting for its resolution regarding the distribution of shareholders' dividends.

The Company's earnings and cash flow are predominately subject to the fluctuations of the economic cycle and therefore adopt a balanced and stable dividend policy in order to seek sustainable and stable business development. The future dividend payout policy is as follows:

1. The Company's dividend policy is mainly based on the considerations of capital needs, financial structure and surplus of the Company's future investments. The Board of Directors shall formulate an annual distribution plan based on the surplus of the fiscal year and authorize the Board of Directors to handle the matter upon resolution of the shareholders' meeting.
2. Considering a balanced and stable dividend policy, the dividend payout will be given in the form of stocks or cash wherever it is appropriate.

The earnings per share, dividends and other related information for the past two years are shown in the table below:

Unit: NTD 1,000

Project / Year		FY2022	FY2021
Earnings per share	Weighted average shares (1000 shares)	306,756	306,756
	Earnings per share	0.17	1.05

Project / Year		FY2022	FY2021	
Dividend per share	Cash dividend	0.00	0.00	
	Stock dividend	Stock dividend from retained earnings	0.00	0.00
		Stock dividend from capital surplus	0.00	0.00
	Dividends in arrears	0.00	0.00	
Remuneration of Directors		318,388	3,601,603	
Compensation of employees		318,388	3,601,603	

VI. Ethical Management

Good Finance adheres to the vision of "stable and steadfast, ethical and credible management", providing professional investment and financial services for the investors, while establishing a positive corporate reputation and profile with steady profitability. Anytime the Company employees commit any breach of good faith violation, corruption or any other illegal acts, they are damaging the rights and interests of customers and the Company operation. In view of this, the Company places great importance on corporate ethics, conducts operations with the highest ethical standards, and formulates the "Good Finance Securities Co., Ltd. Procedures for Ethical Management", which regulates all Company personnel from committing the following during the process of business execution: directly or indirectly providing, promising, demanding or accepting any improper benefits, or other dishonest acts that violate good faith or laws and regulations, or breaching fiduciary duties in order to obtain or maintain benefits.

Good Finance promises to advocate and instill in employees, on a non-regular basis, the importance of ethics and integrity, and caution them to stay vigilant and avoid any misconduct. Should any Company personnel be involved in dishonest behaviors, in addition to instructing the Audit Department to handle the inspection, a specially designated unit will report such dishonest behaviors to the Board of Directors along with

the handling methods and follow-up review and improvement measures. Should anyone commit dishonest and illegal acts to the Company, the Audit Department shall provide the relevant audit results to the Legal Compliance Department, which will notify the judiciary in accordance with its responsibilities. There were no incidents of any violations of the Procedures for Ethical Management and Guidelines for Conduct within the Company in 2022.

VII. Risk Management

Good Finance has stipulated risk management guidelines to improve the risk management mechanism for a sound development. Its primary goal is to keep the risks within the bearable range and ensure that the Company pursues maximum profits for the Company and maximum capital efficiency for the shareholders, besides achieving the goal of rationalizing risk and reward to establish a risk management system for each business based on the principles of independence, integrity, consistency, transparency, and immediacy.

(I) The organizational structure of the Company's risk management and the responsibilities at each level are as follows:

1. Board of Directors: The Board of Directors shall recognize the risks faced by the Company's operations, ensure the effectiveness of risk management, assume the highest decision-making role for risk management, and bear the ultimate responsibility for risk management.
2. Risk Management Committee: Formulate risk management policies and establish qualitative and quantitative management standards, as well as reporting the implementation of risk management to the Board of Directors in a timely manner and make necessary suggestions for improvement.
3. Risk Management Department: The Risk Management Department of the Company is subordinate to the Board of Directors and shall implement authority in the following capacity, plus the appointment and dismissal of risk management supervisors upon approval by the Board of Directors:

- (1) Assist with formulating risk management policies
 - (2) Assist with risk limit and allocation for each department
 - (3) Ensure the implementation of risk management policies approved by the Board of Directors
 - (4) Present timely and complete risk management reports
 - (5) Ensure that the business unit understand all details of each transaction in advance before the actual transaction and continue to monitor the holdings of the completed transaction
 - (6) As much as possible, improve the risk management measuring techniques for financial commodities with quantifiable risks
 - (7) Thoroughly understand the risk limit and application for each business unit
 - (8) Assess the Company's level of risk concentration and risk exposure
 - (9) Development and implementation of stress testing and backtesting methods
 - (10) Inspect business units' pricing model and evaluation system for financial commodities
 - (11) Other risk management matters.
4. Business units: Each business unit is responsible for front-line risk management, analyzing monitoring of relevant risks of its own units, formulating guidelines pertaining to risk management for each business unit, and ensuring that all business implementation complies with risk management guidelines and various laws and regulations.
 5. Audit Department: The Audit Department of the Company is an independent department subordinate to the Board of Directors and conducts regular audits of various business operations in accordance with the provisions of the internal control system.
 6. Legal Compliance Department: The Legal Compliance Department is responsible for the Company's legal risk management and compliance with various regulations.
 7. Finance Department: The Company's Finance Department is responsible for capital flows and maintaining the Company's funding liquidity.

8. Science and Technology Department: The Company's Science and Technology Department is responsible for managing and maintaining the in-house developed or eternally purchased systems and complies with relevant information regulations.
9. Settlement Unit: The Company's settlement unit is responsible for clearing and settlement, middle-end risk control within the department, compliance with the transaction law set out by the governing authority and reporting and compiling of operational risks.

(II) The primary risks faced by the Company are:

1. Market Risks: refer to the risk that the value of a financial asset may fluctuate due to uncertainty in market prices during a certain period of time, e.g., changes in interest rates, exchange rates, equity securities and commodity prices, and possibly result in losses for items on and off-balance sheet items. Therefore, the Company shall establish a sound management system for market risks and stipulate management indicators, setting indicator limits to effectively assess the exposure of market risks.
2. Credit Risks: refer to the possibility that customers or transaction counterparties (including securities issuers and contractual counterparties) fail to perform their obligations, and risks of losses to the Company's financial status as a result of such failure to perform the obligations. Therefore, the Company shall remain vigilant to the credit status of customers or transaction counterparties and stipulate credit management indicators to lower the risk of breach of contract and risk concentration.
3. Liquidity Risks: refer to the risk of failing to liquidate assets or obtain sufficient funds to fulfill due duties (referred to as "Funding Liquidity Risk") and the risk of significant changes in the market price when handling or offsetting the holdings due to insufficient or disorderly market depth (referred to as "Market Liquidity Risk"). The Company shall set concentration control indicators according to various businesses and financial commodities to reduce market liquidity risks; establish a funding

liquidity gap analysis, set an indicator limit, and formulate a response strategy accordingly to prevent the occurrence of poor liquidity.

4. **Operational Risks (including legal risks):** Operational risks may arise from inadequacy or errors in internal operations, personnel and systems, or losses due to external incidents, including legal risks. To reduce the huge losses resulting from operational risks that will affect the actualization of operational and management objectives, the Company shall follow the operational risk management mechanism to report risk management events and facilitate risk identification, assessment, surveillance and control in order to mitigate operational risks.
5. **Model Risks:** It refers to the risk caused by the use of inappropriate models, parameters, or assumptions in the evaluation. Our company should establish written management guidelines and incorporate them into the scope of internal audit to mitigate model risk.
6. **Climate Risks:** Climate risks refer to the transformational risks pertaining to low-carbon transition due to climate change and impacting the Company finance, strategies, operations, products and reputation, as well as the physical risks to the Company finance and operations caused by the extreme climate due to climate change. The Company shall identify the correlation between climate risks and credit risks, market risks, liquidity risk and operational risk, and establish a climate-risks assessment and management mechanism for climate risks in order to reduce climate risks.

In order to establish a stable and effective method to manage risks regarding the market, credit, operation, and liquidity, each department shall formulate necessary risk management measures for its own department based on its business or product category, upon full consideration and effective management of the risk categories and sources. Risk management is about taking into consideration the possible impact of all combined risks from overall Company perspectives, as well as various financial and business guidelines that affect capital adequacy and capital allocation. Besides compiling and converging the needs and suggestions of each business unit, the risk management unit should comply with the principles of centralized

risk management to establish a top-down management mechanism and hand it over to the business unit for reference and implementation.

Risk management is not only the responsibility of the risk management unit, but each business unit, in order to effectively control, manage and prevent the Company from bearing excessive risks, should adopt fitting strategies for risk avoidance, risk transfer or offsetting, risk control and risk assumption strategies in its daily business activities and management processes for effective risk management. The Risk Management Committee shall hold regular meetings and report them to the Board of Directors along with the implementation of risk management status (as shown in the table below). The Risk Management Committee shall report qualitative data on risk management to the Board of Directors annually. Except for the approved standard contracts, all documents and contracts should be approved by the Legal Compliance Department before signing in order to control legal risks.

Date of Meeting of Risk Management Committee	Date of Reporting to Board of Directors on Risk Management Implementation
111.02.24	111.03.23
111.03.24	111.04.28
111.04.28	111.06.23
111.08.02	111.08.25
111.11.08	111.10.27
	111.12.22

VIII. Information Disclosure

In accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, “Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEX Listed Securities”, and relevant laws and regulations, Good Finance discloses relevant information in the online declaration system and discloses various statutory public disclosure matters at the “Market Observation Post Station” to provide real-time information regarding the Company's

finance, business, operation and important resolutions of the Board of Directors in real time as a reference for investors' decision-making. By holding annual shareholders' meetings and publicizing monthly revenue, the Company enables investors to understand the Company's operating conditions, besides honestly exposing penalties and failings so as to enhance information transparency.

IX. Environmental and Social Guidelines

(I) Prevent money laundering and combat capital terrorism

Money laundering and terrorism financing are severe crimes that endanger social order, national security and even world peace, so they are a major topic of concern to stakeholders. In order to fulfill the financial industry's obligations and responsibilities of preventing money laundering and combating terrorism financing, Good Finance has specially formulated the Risk Assessment of Money Laundering and Terrorism Financing and Related Prevention Policies, the Money Laundering Prevention and Anti-Terrorism Financing Plan and the Operating Procedures for Money Laundering Prevention and Anti-Terrorism Financing as the management approach for preventing money laundering and combating terrorism financing. The Company has also established a complete anti-money laundering and anti-terrorism financing system by assigning designated supervisors and personnel in each business unit and setting up three layers of prevention in concert with the Audit Department. In 2018, the Company established an online customer risk assessment system and conducted enhanced due diligence (EDD) for high-risk customers. Regarding transaction monitoring, our information system shall assist with the detection of suspicious money laundering and terrorism financing. Once dubious transactions are identified and ascertained during the monitoring process, we will immediately report to the Investigation Bureau, Ministry of Justice for further appropriate handling. Further, the Company conducts annual education & training seminars on money laundering prevention. Besides sending our staff to external seminars or hosting in-house trainings, the Company in 2022 invited Chief Prosecutor of Taipei District Court Prosecutor's Office and professional lecturers from the PwC to give trainings to our colleagues and the Board of Directors with a view to enhance employees' judgment on money laundering and terrorism

financing and build a corporate culture of money laundering prevention through these trainings. Our management approach has been assessed to have effectively achieved the management objectives and will be constantly reviewed for further improvement.

(II) Insider Trading Prevention

In order to prevent insider trading, the Company has established the “Procedures for Handling Material Inside Information” and strengthened the advocacy & education and control & management of material inside information within the Company. Meanwhile, the stock trading control & management mechanism is also applied to the Company Directors, supervisors and managers to prevent occurrence of insider trading in violation of the Securities and Exchange Act.

(III) Intellectual Property Protection

The Company respects intellectual property rights. The computer software, books and periodicals used by the Company are all legally authorized genuine products. We have always ensured to have obtained legal authorization when using other people or other people’s company information, in a bid to prevent the occurrence of intellectual property rights infringement.

(IV) Environmental Protection Regulations

Our company complies with environmental regulations in all operational activities and actively engages in energy conservation, carbon reduction, and caring for the Earth.

(V) Labor Practice and Dignified Labor

The Company establishes employee policies in accordance with the requirements of the Labor Standards Act and complies with various labor regulations and human rights guidelines.

(VI) Social order

The Company shall adhere to good faith and abide by the law during the business activities, and shall not engage, for the sake of profits, in anticompetitive, antitrust, or monopolistic conduct that disrupt the commercial order.

(VII) Active Ownership

The Company avoids selecting, for investment targets, enterprises with a record of human rights violations or of evil industries, or for investment portfolios, enterprises that have no active interaction with environmental and social issues. The Company's investment holdings are mostly based on financial investment considerations, and there is currently no voting policy to be applied to environmental and social issues, regarding the use of voting rights or voting proposals acquired from shareholdings. Regarding the Company assets and in response to the risks of environmental and social changes, currently the Company is yet to implement the screening of environmental and social assets and will have separate planning in this regard.

X. Compliance

Good Finance has long stayed informed of the development trends of industries at home and abroad, as well as changes in various financial policies and regulations. As we actively develop and expand our business, we also strictly abide by the provisions of related laws and regulations. The Company promulgates and executes all business projects in accordance with the laws and regulations, and effectively manages and controls various legal risks.

For the implementation of legal compliance, besides conforming to various laws and regulations at home and overseas to formulate, update and review our internal guidelines, the Company stipulated the Content and Procedures of Assessment of Legal Compliance in 2007 and has since conducted annual law observance self-assessment to ensure conformity with the provisions of laws and regulations. In addition to the annual education and training on legal compliance for each department, the Legal Compliance Department shall announce, communicate and propagate any regulation updates or

amendments, whenever necessary, to keep all departments informed of the latest laws and regulations, while reporting to the Board of Directors and the Audit Committee every six months on matters concerning legal compliance.

XI. Internal Control and Audit System

Good Finance has established the internal control system and internal audit procedures in accordance with the Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets and the Standards and Guidelines Governing the Internal Control System of Securities Dealers (Futures Dealers), and sets up an internal audit unit directly subordinate to the Board of Directors to carry out audit work independently and objectively to provide timely suggestions for improvement and to provide reasonable assurance over the effectiveness of corporate governance, risk management and internal control processes. Our tasks include the establishment and promulgation of the code of practice for the Company sustainable development so as to continue with effective implementation and promotion of the Company's sustainable operation.

The summary of the Company's annual audit of FY 2022 is as follows:

According to the FY2022 internal audit plan approved by the Board of Directors, the Audit Department has completed, by the end of FY 2022, 246 daily audits, 51 weekly audits, 12 monthly audits, 4 quarterly audits, 2 semi-annual audits and 1 annual audit on securities and futures business areas in accordance with the regulations. In accordance with the regulations, the Audit Department monitors the internal audit activities of the Company's 11 branch companies by conducting branch audit semi-annually. Also, there have been 3 additional audits conducted due to the changes in the appointment of internal auditors of the Kaohsiung, Miaoli, and Taichung branch companies, making a total of 25 audits.

Each of the Company's department and branch company should, on an annual basis, conduct a self-assessment, have the Audit Department review each department and branch's self-assessment report, and submit the self-assessment reports, together with the reports on the correction of deficiencies and irregularities of the internal control system identified by the Audit Department, as a primary basis for the board of directors

and general manager to evaluate the overall effectiveness of the Company's internal control system and to produce a Statement on Internal Control in accordance with the format prescribed by the governing authority.

The Company's annual audit of FY 2022 reported no major deficiencies.

In FY 2022, no penalties or fines were imposed on the Company by any governing authorities.

In FY 2022, there were no incidents of the Company employees involved in any violation of the Good Finance Securities Co., Ltd. Procedures for Ethical Management.

XII. Interaction with Governing Authorities and Peer Group

Good Finance shall cooperate with governing authorities in their regular or non-regular inspection and abide by all directions of the governing authorities for the industry businesses. The Company actively interacts with the peer group in the industry. Besides being a member of the Taiwan Securities Association and the Chinese National Futures Association, the General Manager of the Company also serves as a director of the Taiwan Securities Association, actively participating in association affairs and well versed in the industry news and trends able to provide advice to the governing authorities on behalf of the securities industry and improve the industry development. Additionally, Shen Yude, deputy general manager of the Company, serves as a member of the Electronic Business Committee of the Taiwan Securities Association, actively participating in the management of the securities market to promote a more comprehensive and sound market system.

4

Customer Care

Chapter 04 | Customer Care

I. Digital Services, Service Quality and Customer Satisfaction

Good Finance currently has 12 branches to facilitate the handling all customer-related businesses. There is also an electronic trading platform accessible by customers via various devices such as mobile phones and computers for trading and account management of financial commodities such as securities, futures and warrants, of which electronic ordering accounted for 65% in 2022. Of the Company's newly launched asset management product business, our customers in 2022 already had the option of opening a digital account to trade structured commodities, for which 93.6% of the customers opted for an online digital account. This shows that our digital service has greatly reduced account opening time from an average of two days for the paper submission to one hour for the online submission. Further, each case of digital account opening saves 20 sheets of paper, a total of 37 pages of printed paper.

The Company will continue to build and optimize our digital service process in order to provide customers with customer-centered services where customers can conduct online trading for the entire product lines on a single integrated digital platform. It would be quite simple for customers to open an online account when they engaged with our company for the first time and they can trade any products provided on our platform after that. The digital and paperless processes will benefit both our customers and the social environment over time.

II. Safeguarding the Rights and Interests of Customers and Principles of Treating Customers Fairly

In accordance with the "Principle for Financial Service Industries to Treat Clients Fairly" promulgated by the Financial Supervisory Commission, our company has stipulated the "Policy to Treating Customers Fairly" and the "Handling Procedures for Financial Consumption Disputes". The ten principles to protect the rights and interests of consumers are as follows: the "Principle of Fairness and Good Faith in Contracting", the "Principle of Due Care and Fiduciary Duty", the "Principle of Truthfulness in Advertising Solicitation", the "Principle of Products or Services Suitability", the "Principle of Notification and Disclosure", the "Principle of Balance between Compensation and

Performance”, the “Principle of Complaints Protection” and the “Principle of Business Personnel Professionalism”, the “Principle of Friendliness Service ” and the “Principle of Implementing Business Ethics ”.

The Company has a comprehensive process to review product specifications, brochures, manuals and other documents provided to customers before product launch. During the review process, all related functions, including legal and compliance, risk and audit, are all engaged to ensure the information provide to customers is clear, fair and non-misleading. Besides, the suitability mechanism (i.e., KYC and KYP) is implemented to protect the rights and interests of customers .

III. Information Security and Personal Data Protection

(I) Information Security

Based on the responsibilities of safeguarding the securities market, protecting the rights and interests of customers, and improving financial services provided, we commit to achieve the following goals:

- a. Utilizing the security technology to safeguard effectiveness and integrity of the securities trading infrastructure,
- b. Protecting confidentiality, integrity and availability of the securities and futures trading systems .

The Company has set up an “Information Security Committee ”, led by Vice Presidents or executive-level officers, along with department heads or delegated functional experts. The responsibilities of this Committee include promoting, coordinating, supervising and reviewing the implementation of information security policies, preventing the potential cybersecurity incidents, maintaining the information security mechanism and providing customers with a safe and reliable securities trading system.

In terms of cybersecurity protection, our company has implemented external firewall network and internal antivirus software. We also regularly conduct vulnerability scans and patch any detected vulnerabilities. Additionally, we have established a collaborative DDoS protection mechanism with telecommunication service providers. In 2022, we have procured WAF (Web

Application Firewall) services and Intrusion Detection and Prevention System (IPS) services to protect our core information systems.

In terms of cyber security intelligence exchange and sharing partnerships, the Company has participated in the cyber security intelligence sharing organization, " Financial Information Sharing and Analysis Center (F-ISAC)", and assessed and taken appropriate action upon alerts issued by the F-ISAC. In addition, the Company has subscribed to the DDoS attack traffic scrubbing services of telecommunications companies, and conducted regular DDoS attack traffic simulation and defense drills. Further, the Company has conducted the annual social engineering attack drills, cyber security incidents response and reporting exercises in conjunction with the Security and Future Computer Emergency Response Team (SF-CERT) for regulatory compliance.

(II) Personal Information Protection

Personal data protection is crucial for customers' right. If managed poorly, it will not only bring risks to customers, but also severely tarnish the Company brand and reputation, so it is a major concern for the stakeholders. To protect personal data, the Company has established the "Plan to Protect Personal Data", which clearly stipulates the legitimacy of gathering, using the personal data and our employees' responsibilities of protecting personal data during business processes. Due access control is implemented in the core system to prevent improper use or access to customer data. Every business function of the Company is required to make an annual inventory of personal data and conduct risk assessment to ensure the personal data protection .

To strengthen the employees' awareness of personal data protection, the Company has conducted the related training for new hires. The contents of training include "Personal Data Protection Regulatory Compliance ", "Gathering, Handling and Use of Personal Data" and "Incident Response Procedures for Personal Data Leakage". In addition, all employees are required to undertake information security and personal data protection training every year .

In 2022, the Company had no customer complaints about customer privacy violation or personal data leakage.

IV. Friendly Financial Services

In response to "Friendly Financial Service Guidelines of the Taiwan Securities Association", Good Finance has set up a "Friendly Financial Service Zone" on the company website to provide various friendly services, including online messaging, email reservation for account opening, a URL link for voice query and online ordering.

For persons with disabilities who need to come to our branch office, the dedicated staff will remind them to bring all of required materials beforehand and assist them with filling in the application documents. In some situation , if witnessing is required by the law, the Company will respect those persons' decision and offer due assistance to them. All application documents are reviewed from a fair, objective and non-discriminatory standpoint. Our company also provides appropriate personalized service and assistance to individuals with disabilities according to their specific needs. For example, for customers have difficulty of reading, we offer enlarged versions of various contracts and magnifying glasses or reading glasses, in order to protect their rights and interests.

Considering location and business characteristics of each branch office, there is a significant demand for communication in Hakka language in the Hsinchu and Miaoli area. In response to this customer segment, Good Finance has organized basic Hakka language education and established a dedicated Hakka service counter to provide customized services in Hakka language. This initiative aims to better serve customers from the Hakka community.

Considering the elders proportion of our customer base, we have educated our customers about high risk of virtual currencies through enlarged posters displayed in our branch offices. Additionally, we conduct regular financial friendly service training to our employees in order to continuously improve our service quality and create a friendly financial environment.

V. Branches and Channels

To provide customers with convenient services, Good Finance has set up 12 branches across Taiwan, covering the major metropolises, e.g., Taipei, Taichung, Tainan and Kaohsiung, and the Tier-II cities, such as Taishan, Zhongli, Yangmei, and Miaoli, where regional customers enjoy the same quality financial services as those in the metropolises. The Company uses its operating bases as community service centers to effectively promote regional financial development, expand the reach of financial services, and commit to acting as a friendly neighbor of the local community.

Besides the 12 physical service branches, the Company has an online customer service team to provide real-time services by dedicated staff. Customers needs can be fulfilled by phone or internet in the most convenient way.

5

Employee Care

Chapter 05 | Employee Care

Employees are the most important asset of the company, whose development depends on the hardworking employees, and therefore, the labor-management relationship is a major topic. To promote harmonious labor-management relations, Good Finance provides employees with an ideal welfare system and reasonable salary and compensation to take sufficient care of the employees so that they can play to their strengths and actualize themselves in a decent working environment, while the Company can continue to grow with sustainable development. Regarding the management approach on labor-management relations and labor relations, the Company has set up statutory organizations, stipulated reasonable regulation-compliant operating guidelines and welfare systems targeting issues like compensation and welfare, employee education and training, employee health, employee communication, and gender equality, in a bid to reach the management objectives of taking care of employees.

I. Salary and Benefits

Good Finance has established an employee welfare committee to take charge of all planning and implementation of various employee welfare matters, besides providing basic guarantees as required by the law. Examples of employee welfare are as follows: organized group tours or tour expense subsidies for bonding; subsidies for funerals, weddings; distribution of gifts on festive occasions; various forms of leave and days off. All work hours are in accordance with or better than the Labor Standards Act. Regarding employees' leave, in addition to the number of days of annual leave in accordance with seniority in accordance with the law, we offer 30 days of half-paid sick leave, maternity leave, paternity examination and paternity leave per year. To implement pandemic prevention measures, we encourage employees to receive COVID-19 vaccination and give employees comprehensive care. On the day of each dose of vaccination, employees can apply for paid epidemic prevention leave. Should they suffer from adverse reactions caused by vaccination, they may apply for another day of paid epidemic prevention leave. In addition, if employees need to be isolated at home for being exposed to risks of contracting the virus or having overlapping footprint with confirmed cases, the Company will still pay the employees full salary, as a gesture to

care for the employees and protect their living conditions. Our employee compensation and benefits are in accordance with the provisions of the law and regulations:

1. Establish the salary and Compensation Committee to regularly evaluate whether the Company's compensation system and the compensation of personnel ranking above managers or directors are reasonable. The committee shall advise the Board of Directors accordingly.
2. Salaries are paid according to individual conditions: position level, experience & qualifications, and academic performance. Men and women are paid equally for equal work. Bonuses are given according to monthly performance and individual achievements. Annual performance bonuses are awarded based on the Company's incoming profit and individual performance & contribution.
3. The resolution was passed in the shareholders' meeting in 2020 to offer employee restricted stock to attract outstanding talents to join the Company.
4. Establish the Employee Welfare Committee.
5. Provide labor insurance, national health insurance and pension contribution.
6. Formulate employee retirement measures; establish a pension supervision committee; take care of employees' retirement.
7. Produce periodic episodes of internal Podcast: Internal Podcast with chairman, where each employee can raise a question online to the Chairman, and in each episode, there is a theme set aside for company reform planning to keep our colleagues informed of the Company's forward direction.
8. Each employee will receive a birthday voucher on their birthday.
9. Travel allowance/subsidy.
10. Set up a book club for employees to grow and learn together.
11. Stipulate measures for childcare allowance/subsidy; improve benefits for employee childcare benefits; reduce employees' childcare burden.

Statistics of new hires and employee turnover in 2022								
Category	Female			Subtotal	Male			Subtotal
	Under 30 years old	30-50 years old	Over 51 years old (including 51)		Under 30 years old	30-50 years old	Over 51 years old (including 51)	
New hires	14	23	2	39	19	13	0	32
Employee turnover	9	25	10	44	8	8	7	23
Total	23	48	12	83	27	21	7	55

II. Employee Education and Training

The quality and professionalism of our employees will affect the quality of customer service, and therefore, education & training is a major topic. The Company has stipulated the Education and Training Management Measures as the administrative policy. Besides conducting onboarding training and on-the-job training as required by the governing authority, we have planned various specialized training and management training. Training could take place on-site and off-site to give our employees systematic and professional training. Through all kinds of learning resources, our employees will acquire the necessary attitude, knowledge and skillsets to effectively perform the Company tasks in a bid to raise their specialized capabilities and business performance. The effectiveness of the implementation of the management approach can be evaluated and determined by whether the employees have their work performance improved after receiving relevant training. Such training outcome will be used as the basis for adjusting the management approach. The outcomes of various education and training courses are as follows:

Good Finance Employee Training

Project	Course Name	Number of Classes	Total Number of People	Total Hours	Total Cost
Professional Training	Practice guidelines and operational training of each department	225	4,632	6,319.5	\$2,080,517
Management Training	High-Level Supervisor Management Courses	27	19	201	\$32,500
	Intermediate Supervisor Management Course				
Expatriate Training	Preboarding Training and On-the-Job Training for Sales Personnel	340	486	3,053.5	\$431,810
	Conduct various preboarding and on-the-job training for sales personnel				
	Corporate governance and risk management workshops				
	Accounting principles workshops				
	Other professional competency enhancement training courses				
Total		592	5,137	9,574	\$2,544,827

FY 2022 employee on-the-job training by gender

Project	2022	
	Female	Male
Total training hours	7,303.5	2,270.5
Total employee numbers	268	124
Average training hours per person	27.25	18.31

FY 2022 employee on-the-job training by job categories

Project	2022	
	Non-managerial position	Managerial Position
Total training hours	8,535	1,039
Total employee numbers	357	35
Average training hours per person	23.91	26.69

Managerial positions refer to jobs at the managerial level and above



Employee education & training activities

III. Enhancement of Employee Health

Employees are important assets of the company, and healthy employees can make more contributions to the Company. To maintain the employees' health, in addition to the statutory "National Health Insurance", Company also organizes group insurance for employees in a bid to provide them with more medical protection. "Early detection, early treatment" is a proactive approach to prevention. Since 2004 we have been offering each employee one free health examination every 3 years, so that employees can detect an abnormal health condition at its early stage and proceed with necessary medical treatment to avoid health deterioration.

Previously, only the items as required on the Occupational Safety and Health Act (formerly the Labor Safety and Health Act) were carried out for the health examination, which now has been gradually extended and adjusted to better take care of the employee health and obtain a more detailed check-up result. The Company also appoints medical personnel in accordance with the Occupational Safety and Health Act to offer on-site labor health services. For instance, monthly health information sharing are held to discuss and identify workplace hazards, as well as promoting the four major plans of workplace health, including maternal protection, abnormal load, Ergonomic hazards and unlawful workplace infringement, with a view to provide a safe and healthy working environment for employees.



Health information sharing: COVID-19 vaccines.



Health information sharing: gout and hyperuricemia.

IV. Employee Communication

The Company regularly and irregularly holds various meetings and take measures to establish a variety of communication channels, so that the opinions or suggestions of employees can be fully reflected, and communication with the Company is unobstructed in order for employees to uphold or strive for their own rights and interests. Primary communication channels are as follows:

- (I) Hold earnings call annually
- (II) Internal Podcast with chairman and brokerage business meetings
- (III) Hold regular labor meetings
- (IV) Hold interchange meetings between employees and supervisors on a non-regular basis
- (V) Conduct annual performance appraisal
- (VI) Install a physical bulletin board

V. Respect Human Rights

All of Good Finance's business operation is handled in compliance with government laws and regulations and adheres to Taiwan's human rights regulations. The Company supports and respects internationally recognized human rights and equality and does not discriminate against employees because of their gender, religion and race regarding recruitment, performance appraisal and compensation.

Harmonious labor-management relations are the cornerstone of a company's development. In accordance with the Labor Standards Act, we have stipulated work guidelines and clearly defined the rights and obligations of both labor and management. Employees receive overtime pay for their overtime work based on the regulations of the Labor Standards Act. There are no incidents of forced or compulsory labor incident. Full salary and notice are given to employees who are not fit for the appointment. There were no labor disputes reported in FY 2022. There were no complaints of human rights or violations of the indigenous people's rights in FY 2022.

The Company respects gender equality. Sexual harassment prevention measures and disciplinary guidelines have been stipulated. Complaints will be handled by designated personnel to safeguard the basic rights and interests of employees. There were no sexual harassment complaints in FY 2022.

VI. Female Employee Care

To take care of female employees, the Company grants maternity leave and parental leave, and paternity leave to male workers too as a gesture to encourage employees to raise their next generation and ease the pressure of Taiwan's aging population. Lactation room is provided in the workplace, and female employees are given sufficient time to pump or nurse to meet the needs of baby care.

Project	Female	Male	Total
Total number of employees who were purported to return to work in FY 2022 after parental leave (A)	3	0	3
Total number of employees who returned to work in FY 2022 after parental leave (B).	2	0	2
Reinstatement Rate	66.67	0	66.67
Total number of employees who returned to work in FY 2021 after parental leave (C).	2	0	2
Total number of employees who remained in service 12 months after reinstatement in FY 2021 (D)	2	0	2
Retention Rate	100.00		100.00

Note: Reinstatement Rate = (B/A)×100; Retention Rate = (D/C)×100.

VII. Recruitment and Diversity

The enterprise development relies on employees contributing their talents. The employee quality is a decisive factor to the company competitiveness, so recruitment is a major topic of concern to stakeholders. The Company's management approach for recruiting employees is to recruit full-time employees instead of temporary workers. Recruiting has diversified and its main considerations are: the education and experience required for the job, professional skills, and personality traits. Currently we are not recruiting temporary workers. The evaluation of the management approach shows that

Good Finance's recruitment outcomes thoroughly meet the Company development needs. The Company employee number, gender distribution, annual average expenses for welfare, average age, average years of service and education distribution ratio are shown in the table below:

FY		2021	2022
Employee number	Managers	34	35
	Regular employees	352	357
	Total	386	392
Gender	Male	123	124
	Female	263	268
Average age		45.8	45.34
Average years of service		15.3	14.59
Academic qualification distribution	Doctor	0.00%	0.00%
	Master	10.62%	14.29%
	College	72.80%	69.90%
	High school	16.32%	15.56%
	High school or less	0.26%	0.26%
	Total	100.00%	100.00%

FY	2021	2022	Gap
Average annual expenditure for employee benefits	\$1,542,000	\$1,280,000	\$262,000
Average annual expenditure for non-manager employee benefits	\$1,161,000	\$956,000	\$205,000

FY	2021	2022	Gap
Number of non-supervisors	326	355	29
Average annual salary of non-supervisors	\$1,161,143	\$956,330	\$204,813
Weighted average number of non-supervisors	313	336	23
Median	\$963,043	\$783,264	\$179,779

FY 2022 Ratio of standard wage at entry level and local minimum wage

Gender	Standard wage at entry level	Local minimum wage	Ratio
Male	26,800	25,250	1.06
Female	26,800	25,250	1.06

FY 2022 full-time employees by gender, age group and management level

Gender	Female			Subtotal
	Under 30 years old	30-50 years old	Over 51 years old (including 51)	
Managerial positions	0	8	10	18
Non-managerial positions	17	142	91	250
Total	17	150	101	268

Gender	Male			Subtotal
	Under 30 years old	30-50 years old	Over 51 years old (including 51)	
Managerial positions	1	8	8	17
Non-managerial positions	26	50	31	107
Total	27	58	39	124

Note: Managerial positions refer to the management and above. The ratio of female managers to all managers: 51.43%

VIII. Occupational Health and Safety

All operating bases of Good Finance comply with local government laws and regulations and regularly conduct safety inspections on firefighting equipment to ensure employee safety in the workplace. The Company is committed to improving the working environment in accordance with the Occupational Safety and Health Act. Since 2001, the Company's partitions have switched to gypsum boards and calcium silicate boards and no longer uses square lumber for the partition frame. The counter has also switched from wood to OA office furniture. Storage cabinets are either changed to iron cabinets or fireproof polymer panels to directly or indirectly greatly reduce the use of wood. Light steel frames for ceilings are gradually changed to calcium silicate boards to reduce dust.

Statistics of occupational hazards in FY 2022

Percentage of deaths caused by occupational injuries	0
Percentage of serious occupational injuries	0
Recordable occupational injuries	0

Gender	Occupational sick leave category (Number of Persons)			Total number of persons on occupational sick leave
	Injuries on duty	Injuries on a business trip	Injuries on the way to or from work	
Female	0	0	0	0
Male	0	0	0	0
Total	0	0	0	0

FY 2022 Occupational Safety Training Course Statistics

Labor Safety Course	2022
Total training hours	138
Total number of participants	10

6

Environmental Protection

Chapter 06 | Environmental Protection

I. Climate Change Governance

Since 2022, our company has established the "Sustainable Development Promotion Team," led by the General Manager, who serves as the convener. The team collaborates with relevant departments and holds meetings at least twice a year, providing an annual report to the board of directors and convening ad-hoc meetings as necessary. The "Sustainable Development Promotion Team" facilitates top-down discussions among departments to review sustainable development plans annually, identify climate risks and opportunities, and integrate sustainable development into our company's operations, aiming to reduce our environmental impact throughout the business process. In response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies" released in January 2022, our company will gradually introduce ISO 14064-1 greenhouse gas inventory in future years to fulfill the board of directors' sustainable development responsibilities. We will also develop relevant strategies to achieve carbon reduction targets.

Good Finance is in the financial service industry, and its business operation has less damage to the environment, the primary source of greenhouse gas emissions is the energy consumed in running the workplace. To proactively echo with the Paris Agreement that sets the goal of limiting global warming to well below 1.5°C and achieving net zero emissions by 2050, the Company has the duty and obligation to respond with action regarding climate change.

II. Climate Change Strategies

Due to the intensification of global warming, the significant environmental impacts caused by climate change have become a challenge for sustainable business operations. Climate change is a risk as well as an opportunity. Reducing greenhouse gas emissions is a core issue in evaluating the Company's management of climate impact, while affecting economic performance and long-term sustainable development. As such, Good Finance is committed to seeking ways of reducing carbon emissions throughout our business operations. We adopt energy-saving thinking and improvement

practices in various services and operational processes, committed to promoting a green workplace and providing a high-quality office environment for employees. The aim is not only to boost the Company operating performance, but also to provide customers with better service quality.

Risk aspects	Source	Risk issues	Response strategies
Physical Risks	Physical	<ul style="list-style-type: none"> The increasing frequency and intensity of extreme weather events, such as typhoons, floods, and droughts, result in the devaluation of assets and collateral. 	Inventory high-risk areas of company operational locations and develop corresponding preventive measures.
	Long-term	<ul style="list-style-type: none"> The Earth's temperature rising beyond 1.5°C leads to sea-level rise and changes in climate patterns. 	Plan to collaborate with external consultants to identify the long-term financial impacts of climate risks and develop corresponding response strategies.
Transition Risks	Policies and Regulations	<ul style="list-style-type: none"> The regulatory authorities include climate change in company governance evaluations and disclosure requirements for public information. The revisions to the Renewable Energy Development Act and the implementation of carbon pricing have an impact. The financial impacts on companies and investment targets caused by carbon taxes or carbon fees are significant. 	As regulatory authorities are increasingly strengthening their focus on climate change issues and management, companies need to gain a thorough understanding of their internal greenhouse gas emissions. Only then can they develop strategies and management policies to disclose relevant information.
	Market	<ul style="list-style-type: none"> Changes in consumer behavior. Increased prices of water, electricity, raw materials, and other resources result in cost escalation. 	With the development of digital finance and the growing trend of operational carbon reduction, service models focused on energy efficiency and carbon reduction will become the direction for future operations and services.

Climate Change Risks and Opportunities

Opportunity sources	Opportunity issues	Impact on issues
Resilience	<ul style="list-style-type: none"> The impact of ESG trends on investment market 	To screen for investment positions with lower company risk, evaluating the ESG performance of the investment targets.
Products and Services	<ul style="list-style-type: none"> Operational digitalization Digital services 	Promoting digitalization of various business operations, such as online account opening, not only improves customer experience but also enhances operational efficiency. This leads to cost savings for the company and increases revenue by streamlining processes and reducing manual work.

III. Management of Energy Use

Good Finance most greenhouse gas emissions are generated in our Company premises by the use of office equipment, computers, illumination and air conditioning. Besides continuously advocating the conservation of electricity, the Company also increases the temperature setting of air conditioning in response to the governing authorities' energy conservation campaign and encourages our colleagues to turn off the light after use, take more stairs, and remove unnecessary electrical power supplies. Through annual budgeting we are gradually replacing old energy-consuming electrical equipment and try to procure new equipment with Grade-I energy efficient products to reduce electricity energy consumption. The Company has a total of 12 operating sites across the country, mostly located in easily accessible metropolises. To reduce CO₂ emissions generated from vehicles, we encourage employees to take public transportation to commute to/from work and reduce the use of scooters and cars for less impact on the environment.

Good Finance is in the financial services industry, does not manufacture physical products and is not involved in energy consumption related issues. The maximum power

consumption of the Company's operating sites is from air conditioning, computer equipment and lighting, for which energy-conserving products have been introduced gradually. For illumination, we have switched the traditional T-BAR fluorescent fixture to high-power T5 fluorescent lamps. In recent years, we have successively brought in more energy-saving LED lamps. All CRT TV walls in the Company for pricing display have been substituted by LED TV walls. The Company's procurement principles require us to seek out equipment that complies with the specifications of energy-saving products wherever possible, and plan to replace the old with the original power-consuming equipment. The air-conditioning system used by the Company will be replaced by the Grade-I energy efficient equipment in the annual budget.

Due to significant business growth in 2022, electricity consumption slightly increased compared to the previous year. In 2023, the company will further develop an energy

FY	Annual electricity fee	Compared with the previous year	Annual electricity consumption	Reduction of electricity consumption	Annual CO2 emissions (KG)	Reduction of CO2 emissions (KG)
2021	\$5,969,000	\$97,000	1,438,451	-26,747	756,625	13,426
2022	\$6,345,259	\$376,259	1,468,136	-29,685	741,466	15,159

management plan to reduce energy consumption.

IV. Water Resource Management

Good Finance is not in the manufacturing industry and is not involved in issues related to large quantities of water resources consumption. Our water is from the water company for regular non-industrial use and draw no water from underground or other water sources. After use, the water is directly discharged into the sewer, not recycled for further use. Taiwan has scarce water resources. We take great care in our water use, often advocates/educates our colleagues to save water, reduce water waste, and contribute to environmental protection.

V. Waste Management

Good Finance installs recycling bins in office premises for recyclable waste such as wastepaper, tins and cans, plastic bottles to implement waste reduction policies.

VI. Promoting Carbon Reduction

Procurement Practices

Good Finance is not in the manufacturing industry, has no specific supply chain manufacturers and therefore is not involved in issues related to no raw material procurement. We generally handle our procurement of our office supplies with local suppliers wherever possible and avoid the use of imported goods to prevent unnecessary transportation energy consumption and excess carbon emissions. Such practice is a friendly gesture to the environment.

Space experiment plan: Taipei Branch

Garbage classification has been implemented in Taiwan since 2006, and the overall resource recovery rate has reached 53.28% so far, ranking third in the world, but the recycled material ratio is only 4.89%. Good Finance in 2021 launched a space experiment program, inviting MINIWIZ for collaboration, which specializes in material development, to explore ideas about humans and space, finance, and the society, centering on sustainable development design. Notably in a 2022 article featuring a special report on zero waste covered by The Economist, a UK-based authoritative global financial media, Good Finance was mentioned for its Taipei head office renovation with a space experiment plan that utilizes a building method that has least environmental impact and creates a space, themed on stable aesthetics, featuring both practicality and a warm supple texture.

(I) Design concept

Spatial transformation is not merely to dispense with old hardware, but to study user experience and explore better options for the future. To this end, Good Finance's Innovation Director, Shen-Chun Lo, has joined the founder of MINIWIZ, Chian-Chi Huang, in multiple meetings exploring the feasibility of sustainability practice execution in various disciplines to propose practical and aesthetic projects for an ideal life.



Good Finance Space Experimental Plan Part 2: Taipei Head Quarters Meeting Room.

(II) Material application

Utilize a high proportion of recycled materials for space materials. The cost of recycled materials was up to NTD1,000,507. Mostly basic geometric shapes are in place, softening the sharp edges and corners into elegant turns, giving the space a sense of stability and settledness.

1. Wall ceiling PlyFix: Recycled PET (e.g., plastic bottles) is combined with the fiber coating and hot-pressed, without the use of any adhesives, to mold into waterproof, breathable, soundproof modules that are also used in NIKE's New York and Tokyo offices. At Good Finance's Taipei Headquarters, the use of PlyFix extends from the entrance to the curved surface of the wall, bringing a warm touch to the space. Its overall design and use of building materials has overcome existing structural problems such as height limitations, noise and echoes that cannot be absorbed.
2. Polli-Ber Bricks for partition walls: Discarded discs, lamp shades, and high-capacity water bottles (PCs) are recycled and turned into high-strength, durable objects that reduce original lifecycle carbon emissions by 40%, plus UV-resistant and flame-retardant ratings. The translucent brick walls reduce the sense of oppression and connect the inner and outer spaces with soft light, allowing customers and visitors to enjoy a cozy, friendly and private space.

- Recycled glass for the meeting room tables: 40% recycled is mixed, reproduced and designed with special printing techniques to render 2-3 mm marble lines below the surface. The finished product has the look of natural marbles in its layered patterns.



Material applications

Recycled glass

PlyFix

rPET

Polli-Ber Brick

rPP



Customized heat press art prints



(III) Sustainability conversion in material coverage area of 180 square meters:

1. Carbon emissions: Reduce as much carbon emission as absorbed by about 1,315 trees per year.
2. Air pollution: Reduce as much sulfur dioxide as emitted by Taichung Power Plant for 60 minutes.
3. Water pollution: Reduce as much oxidation as in about 450 swimming pools.

HQ lobby Impact Equivalent

180 sqm X **80** kg/sqm = **14,400** kg CO₂
Total Area CO₂ reduced per sqm CO₂ reduced total

14,400 kg ÷ **10.95** kg/tree/year = **1,315** Tree/year
CO₂ reduced total CO₂ Captured per tree in a year

180 sqm X **7.8** kg/sqm = **1,404** kg SO₂ = **60 mins**
Total Area SO₂ reduced per sqm SO₂ reduced total Taichung Fire Power Station

180 sqm X **2.2** kg/sqm = **396** kg N
Total Area N reduced per sqm N reduced total
 $\frac{396000 \text{ g N}}{2.5 \text{ g/m}^3 \times 20} = 158400 \text{ m}^3 = 450 \text{ swimming pool}$
 Avoiding 450 Eutrophic

Headquarters 4th Floor Project: Recycled material archives

	Project	Qty Unit(LS)	Unit price	Total price	Others
1	Polli-Ber™ Brick	1,010	200	202,000	Polli-Ber Brick
2	Chocolate panel flatten(plyfix) (grey)	62	1,167	72,354	PlyFix
3	Chocolate panel flatten(plyfix) (grey)	6	1,167	7,002	
4	Flat edge trim plyfix (grey)	38	10	378	
5	Chocolate panel flatten(hemp)	235	833	195,755	
6	Chocolate panel curvature	30	833	24,990	
7	Flat edge trim hemp (brown)	252	10	2,520	
8	VIP 3-seater sofa	1	83,167	83,167	
9	VIP single-seater sofa chair	2	66,667	133,334	rPET
10	VIP coffee table	1	33,333	33,333	Recycled glass
11	VIP meeting table	1	55,000	55,000	Recycled glass
12	Customized hot-pressed hanging paintings	1	111,667	111,667	rPP
13	Recreational room sofa	1	63,167	63,167	
14	VIP room cushions	6	2,640	15,840	
			Total	1,000,507	

Paper reduction

To protect forest resources on the earth, the Company is seeking ways of reducing the use of paper in business operations from customer services to internal administration. For example, our "Customer Bank Statement" has switched from manual printing to "Electronic Statement". We have replaced traditional paper document signing with "Online account opening"; internal document signing, employee leave taking with "Electronic signing" and "Electronic leave taking", as well as promoting "e-Financial statements". All above measures are in place to reduce paper consumption and postal/telecommunication costs and manpower.

In addition, we have turned our document storage into electronic files, wherever possible, to reduce paper archives. We resort to double-sided printing or use recycled paper for photocopy. We tone down the photocopier toner concentration to make it last longer and avoid waste of paper and toner. We promote paperless and electronic documentation for internal administration and minimize use to the minimum. This is our key task in the topic of environmental protection topic.

7

Social Participation

Chapter 07 | Social Participation

Good Finance hopes to establish a connection with the local community and social welfare groups through the process of social participation, and to fulfill our corporate social responsibility through long-term social care activities to lay the foundation for the sustainable development of the Company. The primary tasks are as follows:

I. Charity

Good Finance has a total of 12 operating sites across the country. We interact proactively with local communities and take part in community events, care for local villagers, understand the expectations and needs of local residents and provide services whenever possible. We hope to integrate into local communities by way of interaction between each branch company and the local community to contribute to the local community and fulfill our social responsibility. In response to the campaign, "Invoice Donation for the Bedridden", the Company collects monthly invoices to donate to the Genesis Social Welfare Foundation and the winning prizes will be used as a care fund for those in a vegetative state. A total of 98,311 invoices has been collected (from 2015/01/01 to 2022/12/31). In addition, the Company colleagues have also donated blood in response to blood donation campaigns to help those in need.



Our Taichung colleagues engaged in blood donation campaign



Our Kaohsiung colleagues engaged in blood donation campaign

II. Response to Environmental Protection

Good Finance cares about our environments. Our colleagues spend their holidays on public welfare activities such as street/mountain/beach tidy-up and contribute to the protection of mountains and rivers.



Our Yangmei, Taishan colleagues engaged in mountain clean-up campaign.

III. Promoting Financial Education

In 2022, Good Finance received invitations from the Mainland Affairs Council on October 4th for a series of presentations. General Manager Zhuang Daxiu delivered a speech titled "The Development History of Taiwan Securities," followed by Chief Innovation Officer Luo Shenjun's presentation on "What is Finance," and Good Finance's Value Investment Advisor Lin Leidun shared insights on "Essential Financial Lessons for Young People." A total of 19 students attended the event. Furthermore, on December 6th, Good Finance hosted a visit from 17 students from the Lunghua University Department of Finance. On that day, colleagues from the Branding, Investment, and Product departments were invited to share their expertise, allowing the students to gain a comprehensive understanding of Good Finance's transformation and future prospects from different perspectives.

The Company has also invested in financial education, propagating and making financial knowledge, management and sustainability accessible and understandable to the

general public. Over the past year, the Company first converted the internal publication *Ta Ching Bi-Monthly Journal* into a magazine circulated on the market, *1611*, with an initial sale of 3,000 copies. We gradually expand our magazine sales beyond Taiwan to cover bookstores in Malaysia, Hong Kong, Japan and London. As we strengthen our international ties, we are also spreading Taiwan's thoughts on modern society to the world. Good Finance will continue to invest in finance, sustainable business knowledge popularization, and transmit more positive circular influence in Taiwan and overseas in more approaches and languages.



Invited by Mainland Affairs Council's students from Hong Kong and Macao



Invited by Lunghua University, department of finance

Appendix

Appendix

I. Independent Limited Assurance Report



會計師有限確信報告

資會綜字第 21020511 號

美好證券股份有限公司 公鑒：

本事務所受美好證券股份有限公司（以下稱「貴公司」）之委任，對 貴公司選定 2021 年度永續報告書所報導之績效指標執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

確信標的資訊與適用基準

有關 貴公司選定 2021 年度永續報告書所報導之績效指標（以下稱「確信標的資訊」）及其適用基準詳列於 貴公司 2021 年度永續報告書第 57 頁之「確信項目彙總表」。前述確信標的資訊之報導範圍業於永續報告書第 1 頁之「報告書邊界與範疇」段落述明。

上開適用基準係為財團法人中華民國證券櫃檯買賣中心「上櫃公司編製與申報永續報告書作業辦法」與相關問答集及有關法令之規定，以及 貴公司依行業特性與其報導之績效指標參採或自行設計其他基準。

管理階層之責任

貴公司管理階層之責任係依照財團法人中華民國證券櫃檯買賣中心「上櫃公司編製與申報永續報告書作業辦法」與相關問答集及有關法令之規定，以及 貴公司依行業特性與其報導之績效指標參採或自行設計其他基準，以編製永續報告書所報導之績效指標，且維持與績效指標編製有關之必要內部控制，以確保績效指標未存有導因於舞弊或錯誤之重大不實表達。

會計師之責任

本會計師係依照確信準則公報第一號「非屬歷史性財務資訊查核或核閱之確信案件」，對確信標的資訊執行確信工作，以發現前述資訊在所有重大方面是否有未依適用基準編製而須作修正之情事，並出具有限確信報告。

本會計師依照上述準則所執行之有限確信工作，包括辨認確信標的資訊可能發生重大不實表達之領域，以及針對前述領域設計及執行程序。因有限確信案件取得之確信程度明顯低於合理確信案件取得者，就有限確信案件所執行程序之性質及時間與適用於合理確信案件者不同，其範圍亦較小。

本會計師係依據所辨認之風險領域及重大性以決定實際執行確信工作之範圍，並依據本委任案件之特定情況設計及執行下列確信程序：



- 對參與編製確信標的資訊之相關人員進行訪談，以瞭解編製前述資訊之流程、所應用之資訊系統，以及攸關之內部控制，以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，對確信標的資訊選取樣本進行包括查詢、觀察、檢查及重新執行等測試，以取得有限確信之證據。

此報告不對 2021 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，另外，2021 年度永續報告書中屬 2021 年 12 月 31 日及更早期間之資訊未經本會計師確信。

會計師之獨立性及品質管制規範

本會計師及本事務所已遵循會計師職業道德規範中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、專業能力及盡專業上應有之注意、保密及專業態度。

本事務所適用審計準則公報第四十六號「會計師事務所之品質管制」，因此維持完備之品質管制制度，包含與遵循職業道德規範、專業準則及所適用法令相關之書面政策及程序。

先天限制

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

有限確信結論

依據所執行之程序與所獲取之證據，本會計師並未發現確信標的資訊在所有重大方面有未依財團法人中華民國證券櫃檯買賣中心「上櫃公司編製與申報永續報告書作業辦法」與相關問答集及有關法令之規定，以及 貴公司依行業特性與其報導之績效指標參採或自行設計其他基準編製而須作修正之情事。

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確信標的資訊或適用基準之變更，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 吳尚燾

吳尚燾



中華民國 111 年 8 月 12 日

Table of assurance items

Table of assurance items			
Project/Target information	Application standards	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Page number
<p>1. In 2022, Good Finance reported no information leakage incidents, zero percentage of information leakage incidents related to personal data, and zero number of customers affected by information leakage.</p>	<p>In accordance with the “Information Security Policy” and the “Personal Data File Security Maintenance Plan”, we have calculated the number of information leakage incidents, the percentage of information leakage incidents related to personal data, and the number of customers affected by information leakage that occurred to Good Finance in FY 2022.</p> <p>Note: Good Finance complies with the “Operational Guidelines for Circulating Reports on the Information and Communication Security Related Events in Securities and Futures Markets” and uses the securities and futures market information security notification system to notify the governing authorities (Securities and Futures Bureau) of the event and confirm whether the recorded notified incident includes information.</p>	<p>Article2 Appendix1</p>	<p>48</p>
<p>2. In 2022, Good Finance did not facilitate any transactions or amounts in terms of capital market fundraising for small and medium-sized enterprises.</p>	<p>Not applicable to this business</p>	<p>Article2 Appendix2</p>	

Table of assurance items			
Project/Target information	Application standards	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Page number
<p>3. In 2022, Good Finance provided a total of 19 students from the Mainland Affairs Council's Hong Kong and Macau Student Career Exploration Training Camp.</p>	<p>According to the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies FAQs", the definition of vulnerable groups is as follows: Referring to the SASB definition, vulnerable groups lacking access to banking services may include, but are not limited to, students, youth, new immigrants, the elderly, ethnic minorities, low-income households, etc. Financial and insurance institutions may provide additional specifications. Therefore, the number of students participating in Good Finance's Career Exploration Training Camp is reported for statistical purposes.</p>	<p>Article2 Appendix3</p>	<p>73-74</p>
<p>4. In 2022, Good Finance provided a total of 17 students from the Lunguha University's finance department with industry practice seminar.</p>	<p>According to the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies FAQs", the definition of vulnerable groups is as follows: Referring to the SASB definition, vulnerable groups lacking access to banking services may include, but are not limited to, students, youth, new immigrants, the elderly, ethnic minorities, low-income households, etc. Financial and insurance institutions may provide additional specifications. Therefore, the number of students participating in Good Finance's industry practice seminar is reported for statistical purposes.</p>	<p>Article2 Appendix4</p>	<p>73-74</p>

Table of assurance items			
Project/Target information	Application standards	Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms	Page number
<p>5. In 2022, Good Finance's electronic transaction accounted for 65% of the total annual transaction amount.</p>	<p>Numerators: the FY 2022 electronic transaction amount entrusted for buying and selling domestic securities, as derived from "the transaction amount entrusted for buying and selling domestic securities by securities dealers' brokerage department" report.</p> <p>Denominator: the FY 2022 transaction amount entrusted for buying and selling domestic securities, as derived from "the transaction amount entrusted for buying and selling domestic securities by securities dealers' brokerage department" report.</p> <p>Note: Electronic transactions include transactions made on internet, Application Programming Interface, Voice and DMA (Direct Market Access).</p>	<p>Article2 Appendix5</p>	<p>40</p>

II. Comparison table of indicators

(I) Global Reporting Initiative Index

Statement of use	Good Finance's report is prepared in accordance with GRI standards. The disclosure period of this report is the fiscal year 2022 (January 1, 2022 to December 31, 2022).
GRI1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Our company does not currently have any applicable industry standards to adhere to.

GRI2: General Disclosure

GRI Standards	Disclosure items	Chapter/Omission reason	Page number/Note
2-1	Organizational Details	About the Report	1
2-2	Entities included in the organization's sustainability reporting	Chapter3 Corporate Governance (I) Company Overview	15
2-3	Reporting period, frequency and contact point	About the Report	1
2-4	Restatements of information	About the Report	2
2-5	External assurance	About the Report	2
2-6	Activities, value chain, and other business relationships	Chapter3 Corporate Governance (II) Short- and Long-term development Plan (IV) Business Scope (V) Profitability and Management Performance	15, 22-25
2-7	Employees	Chapter5 Employee Care (VII) Recruitment and Diversity	54-57
2-8	Workers who are not employees	Chapter5 Employee Care (VII) Recruitment and Diversity	54-57
2-9	Governance structure and composition	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18

GRI Standards	Disclosure items	Chapter/Omission reason	Page number/Note
2-10	Nomination and selection of the highest governance body	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-11	Chair of the highest governance body	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-12	Role of the highest governance body in overseeing the management of impacts	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-13	Delegation of responsibility for managing impacts	Chapter6 Environmental Protection (I) Climate Change Governance	60
2-14	Role of the highest governance body in sustainability reporting	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-15	Conflicts of interest	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-16	Communication of critical concerns	Chapter6 Environmental Protection (I) Climate Change Governance	60
2-17	Collective knowledge of the highest governance body	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-18	Evaluation of the performance of the highest governance body	Chapter3 Corporate Governance (III) Corporate Governance Mechanism	18
2-19	Remuneration policies	Chapter5 Employee Care (I) Salary and Benefits	46-47
2-20	Process to determine remuneration	Chapter5 Employee Care (I) Salary and Benefits	46-47

GRI Standards	Disclosure items	Chapter/Omission reason	Page number/Note
2-21	Annual total compensation ratio	Omission of Disclosure	Personal salary information is sensitive/confidential
2-22	Statement on sustainable development strategy	Chapter1 Message From the Chairman	5-6
2-23	Policy commitments	Chapter5 Employee Care (V) Respect Human Rights	53
2-24	Embedding policy commitments	Chapter5 Employee Care (V) Respect Human Rights	53
2-25	Processes to remediate negative impacts	Chapter3 Corporate Governance (VI) Ethics Management (XI) Internal Control and Audit System	28-29, 37-38
2-26	Mechanisms for seeking advice and raising concerns	Chapter3 Corporate Governance (VI) Ethics Management	28-29
2-27	Compliance with laws and regulations	Chapter3 Corporate Governance (VI) Ethics Management (X) Compliance (XI) Internal Control and Audit System	28-29, 36-38
2-28	Membership associations	Chapter3 Corporate Governance (XII) Interaction with Governing Authorities and Peer Group	38
2-29	Approach to stakeholder engagement	Chapter2 Stakeholder Engagement (I) Stakeholder Identification and Communication	8-10
2-30	Group Agreement	Chapter5 Employee Care (V) Respect Human Rights	53

GRI3: Material Topic Disclosure Items

GRI Standards	Disclosure items	Chapter/Omission reason	Page number/Note
3-1	Process to determine material topics	Chapter2 Stakeholder Engagement (II) Identification of material	10
3-2	List of material topics	Chapter2 Stakeholder Engagement (II) Identification of material topics	11
3-2	Management of material topics	Chapter2 Stakeholder Engagement (III) Major considerations of the GRI Standards	12-13

GRI 200: Economic Series

GRI Standards	Disclosure items	Chapter	Page number/Note
201 Economic Performance			
201-1	Direct economic value generated and distributed	Chapter3 Corporate Governance (V) Profitability and Management Performance	24-25
201-2	Financial implications and other risks and opportunities due to climate change	Chapter6 Environmental Protection (I) Climate Change Governance (II) (II)Climate Change Strategies	60-62
202 Market Presence			
202-1	Ratio of standard entry level wage by gender compared to local minimum wage	Chapter5 Employee Care (VII) Recruitment and Diversity	56-57

GRI Standards	Disclosure items	Chapter	Page number/Note
203 Indirect Economic Impacts			
203-2	Significant indirect economic impacts	Chapter4 Customer Care (I) Digital Services, Service Quality and Customer Satisfaction Chapter6 Environmental Protection	64
204 Procurement Practices			
204-1	Proportion of spending on local suppliers	Chapter6 Environmental Protection (VI) Promoting Carbon Reduction	64
205 Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	Chapter3 Corporate Governance (VI) Ethics Management (IX) Environmental and Social Guidelines	28-29, 34-36
205-3	Confirmed incidents of corruption and actions taken	Chapter3 Corporate Governance (VI) Ethics Management (IX) Environmental and Social Guidelines	28-29, 34-36
206 Anti-competitive behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Chapter3 Corporate Governance (IX) Environmental and Social Guidelines	35-36

GRI 300: Environmental Series

GRI Standards	Disclosure items	Chapter	Page number/Note
302 Energy			
302-1	Energy consumption within the organization	Chapter6 Environmental Protection (III) Management of Energy Use (VI) Promoting Carbon Reduction	62-69

GRI Standards	Disclosure items	Chapter	Page number/Note
302-4	Reduction of energy consumption	Chapter6 Environmental Protection (III) Management of Energy Use (VI) Promoting Carbon Reduction	62-69
302-5	Reductions in energy requirements of products and services	Chapter6 Environmental Protection (III) Management of Energy Use (VI) Promoting Carbon Reduction	62-69
303 Water			
303-3	Water withdrawal	Chapter6 Environmental Protection (IV) Water Resource Management	63
305 Emissions			
305-5	Reduction of GHG emissions	Chapter6 Environmental Protection (III) Management of Energy Use	62-63
305-6	Emissions of ozone-depleting substances (ODS)	Chapter6 Environmental Protection (III) Management of Energy Use	62-63
306 Effluents and Waste			
306-2	Management of significant waste-related impacts	Chapter6 Environmental Protection (V) Waste Management	63-64
307 Compliance with environmental protection regulations.			
307-1	Violation of environmental regulations		No relevant incidents

GRI400: Social Series

GRI Standards	Disclosure items	Chapter	Page number/Note
401 Employment			
401-1	New employee hires and employee turnover	Chapter5 Employee Care (I) Salary and Benefits	48
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Chapter5 Employee Care (I) Salary and Benefits (III) Enhancement of employee health	46-48, 52
401-3	Parental leave	Chapter5 Employee Care (VI) Female Employee Care	54
402 Labor/Management Relations			
402-1	Minimum notice periods regarding operational changes	Chapter5 Employee Care (IV) Employee Communication (V) Respect Human Rights	53
403 Occupational Health and Safety			
403-3	Occupational health services	Chapter5 Employee Care (III) Enhancement of employee health	52
403-9	Work-related injuries	Chapter5 Employee Care (VIII) Occupational Health and Safety	57-58
404 Training and Education			
404-1	Average hours of training per year per employee	Chapter5 Employee Care (II) Employee Education and Training	50
404-2	Programs for upgrading employee skills and transition assistance programs	Chapter5 Employee Care (II) Employee Education and Training	48-50

GRI Standards	Disclosure items	Chapter	Page number/Note
405 Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Chapter5 Employee Care (VII) Recruitment and Diversity	54-55
406 Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Chapter5 Employee Care (V) Respect Human Rights	53
407 Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Chapter5 Employee Care (V) Respect Human Rights	53
409 Forced or Compulsory Labors			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Chapter5 Employee Care (V) Respect Human Rights	53
411 Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of indigenous peoples	Chapter5 Employee Care (V) Respect Human Rights	53
413 Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs	Chapter7 Social Participation (I) Charity	71

GRI Standards	Disclosure items	Chapter	Page number/Note
416 Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Chapter4 Customer Care (II) Safeguarding the Rights and Interests of Customers and Principles for Fair Treatment of Customers	40-41
417 Marketing and Labeling			
417-1	Requirements for product and service information and labeling	Chapter4 Customer Care (II) Safeguarding the Rights and Interests of Customers and Principles for Fair Treatment of Customers	40-41
417-2	Incidents of non-compliance concerning product and service information and labeling		No compliance violations reported.
417-3	Incidents of non-compliance concerning marketing communications		No compliance violations reported.
418 Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter4 Customer Care (III) Information Security and Personal Data Protection	41-42
419 Social Compliance with Economic Regulations			
419-1	Violations of laws and regulations in social and economic domains	Chapter3 Corporate Governance (IX) Environmental and Social Guidelines (X) Compliance	34-37

(II) Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies

Chapter	Title	Reference	Page number/Note
Chapter 1	General Guideline	(III) Corporate governance	15-38
Chapter 2	Exercising Corporate Governance	(III) Corporate governance	15-38
Chapter 3	Fostering a Sustainable Environment	(VI) Environmental protection	60-69
Chapter 4	Preserving Public Welfare	(IV) Customer concern (V) Employee care, (VII) Social participation	40-44, 46-58, 71-74
Chapter 5	Enhancing Disclosure of Sustainable Development Information	(II) Stakeholder Engagement (III) Corporate governance	15-38, 8-13
Chapter 6	Supplementary Provisions	(III) Corporate governance	15-38

(III) TCFD Disclosure Recommendations

Core element	Recommended Disclosures	Chapter	Page number/ Note
Governance	A. Describe the board's oversight of climate-related risks and opportunities.	Chapter6 Environmental Protection (I) Climate Change Governance	60
	B. Describe management's role in assessing and managing climate-related risks and opportunities.	Chapter6 Environmental Protection (I) Climate Change Governance	60

Core element	Recommended Disclosures	Chapter	Page number/ Note
Strategy	A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62
	B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62
	C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios.	Planned identification in 2023	
Risk management	A. Describe the organization's processes for identifying and assessing climate related risks.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62
	B. Describe the organization's processes for managing climate-related risks.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62
	C. Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization's overall risk management.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62

Core element	Recommended Disclosures	Chapter	Page number/ Note
Metrics and Targets	A. Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62
	B. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	Planned identification in 2023	
	C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Chapter6 Environmental Protection (II) Climate Change Strategies	60-62

