

TSC ESG

2023
ENVIRONMENT
SOCIAL
GOVERNANCE
REPORT

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About the Report

The Taiwan Depository & Clearing Corporation (TDCC or the Company) has been publishing its Corporate Social Responsibility Report since 2017. In 2020, the report was renamed the ESG Report. Over the years, Taiwan Depository & Clearing Corporation (TDCC), also known as the Company, has invested significant resources in the areas of governance, economy, environment, and society, with regards to corporate social responsibility. Through this report, we aim to showcase the results of our efforts, strengthen the link between our business and corporate social responsibility, facilitate stakeholder communication, and align with global sustainability trends.

Period, Scope, and Boundary of the Report

This report covers the period from January 1, 2023, to December 31, 2023, and the reporting boundaries and scope include TDCC and its subsidiary, FundRich. This encompasses certain floors of the Hongya Building on Fuxing North Road in Taipei City, including the 5th and 8th floors where FundRich is located, as well as information rooms located in Nangang District, Taipei City, and Zhubei City, Hsinchu County. The report primarily focuses on economic, social, and environmental data and discloses management practices and responses to issues that stakeholders are highly concerned about. To ensure the completeness and comparability of the disclosed information, some data in this report may be traced back to 2022 or include future projections up to December 31, 2024. Financial information will be disclosed based on the consolidated financial reports of Taipei Depository and Clearing Corporation and RichFund and will be specifically noted in this report. For details, please refer to the Taipei Depository and Clearing Corporation 2022 Annual Report. In this report, all disclosed amounts are stated in New Taiwan Dollars unless otherwise specified.

Writing Standards

This report follows the Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative (GRI), which provide guidance on identifying stakeholders and significant issues, as well as compiling non-financial information disclosures. Additionally, we comply with the disclosure standards issued by the Sustainability Accounting Standards Board (SASB) and the disclosure framework of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board of the United Nations.

External Verification

The data and information presented in this report were compiled and provided by related departments of Taiwan Depository & Clearing Corporation (TDCC) and FundRich Securities. To improve the quality and credibility of this report, the Company has engaged the external assurance services of LRQA International Limited in accordance with the DNV VeriSustain™ Protocol and AA1000 Assurance Standard. The scope of their assurance is to verify declarations as in accordance with the Core GRI Standards 2021, SASB disclosure standards, and TCFD Recommendations.

[Click here to visit or scan below ↓](#)



TDCC's Sustainability Section

Reporting Cycle

This is the seventh ESG Report issued by TDCC, and we will continue to issue it annually in the future. The report can be downloaded from the Sustainable Development section on TDCC official website.

The previous edition was released in June 2023.

This year's report is issued in April 2024.

Next edition will be issued in April 2025.

Contact Information

Corporate Strategy and Public Affairs Department,
Taiwan Depository & Clearing Corporation.
Contact person: Ms. Wang Chiu-Min.

Address: 11F, No. 363, Fuxing North Road, Taipei City

Telephone: +886-2-2719-5805

Fax: +886-2-2713-3736.

E-mail: tdcc@tdcc.com.tw

Company Website: <https://www.tdcc.com.tw/>

Chairman's Message

In 2023, the United Nations convened the 28th Conference of the Parties (COP28) on climate change, with goals that not only aspire to limit global warming to within 1.5 degrees Celsius through international negotiations but also to review the nationally determined contributions and carbon reduction progress made since the 2015 Paris Agreement. Furthermore, the conference aimed to encourage countries to make more proactive and ambitious commitments and actions.

The Taiwanese government has also responded to international climate change issues by amending laws to incorporate the net-zero emissions target by 2050, along with issuing policies and regulatory measures. In line with government policy and to leverage the positive impact of the financial market, our company has set a goal for net-zero emissions in scopes 1 and 2 by 2030, mapping out a series of proactive actions to promote greenhouse gas reduction measures and continuously implement concrete ESG (Environmental, Social, and Governance) plans.

From reducing carbon footprints to digital services, driving net-zero sustainable competitiveness

Since 2020, Taiwan Depository & Clearing Corporation (TDCC) has been continuously implementing green solutions, establishing an energy management system through a series of energy action plans such as replacing lighting equipment, controlling temperatures, reconstructing machine rooms, and increasing the usage rate of green electricity. These efforts are aimed at formulating concrete carbon reduction pathways. Taiwan Depository & Clearing Corporation (TDCC) publishes an annual ESG sustainability report, which is verified by an impartial third party to ensure the credibility of its disclosures. Additionally, it offers a variety of digital services including TDCC's the e-Passbook app, eNotice, and an ESG IR platform, reducing paper usage and carbon emissions from transportation in the financial market and accelerating the layout of a digital service net-zero development blueprint.

Extending care from within to the outside, with social inclusion as our mission

TDCC continues to reinvest its revenue into public welfare and financial education popularization programs, supporting projects related to the underprivileged, education, culture, and sports, allowing more people to share in the financial market's successes. Internally, the company is actively building a happy workplace, enhancing diverse career training programs for employees, promoting honest labor-management interactions, and fostering a family-friendly workplace environment, all of which have been widely recognized and acclaimed.

Strengthen corporate governance to build sustainable operational resilience

In alignment with the Financial Supervisory Commission's efforts to ensure listed companies implement ESG-related policies, our company has not only established a Sustainable Development Committee but also devised a sustainable development strategy blueprint, while simultaneously enhancing corporate information transparency. Additionally, we have integrated an international cybersecurity framework to strengthen collective defense in cybersecurity and digital identity verification, safeguarding investors' rights and asset security.



TDCC has long adhered to the core principle of "benefiting others for the common good." Under the ESG development vision and strategy, it strengthens digital finance and implements inclusive finance to improve accessibility to financial services. At the same time, it is committed to building a comprehensive and robust infrastructure, deepening diverse green services, and working hand in hand with regulatory authorities and market participants towards ESG sustainable development, fulfilling Taiwan's sustainable development goals.

Taiwan Depository & Clearing Corporation
Chairman

Sustainable development vision and strategy

- 1.1 Sustainable vision
- 1.2 Market and Service Value Chain
- 1.3 About Our Company

1.1

Sustainable vision

Sustainable vision

Embracing Innovative Technology
Developing the Financial Market

As the only back-office institution for cross-capital and monetary markets in Taiwan, TDCC not only actively assists regulatory authorities in implementing policies and meeting the needs of market participants but also continues to challenge itself at different stages. We expand our service scope, improve service quality, and seek new business value through fintech. By doing so, we strive to create a complete infrastructure for the digital transformation of Taiwan's securities and financial markets.

Promoting Business Diversification
Steady and Sustainable Growth

TDCC, starting from our core business, is committed to proactive business transformation and innovation, staying ahead of the curve. We expand our range of services to meet market demands and deliver diverse value-added solutions, with the aim of maximizing benefits for our clients. Additionally, we harness emerging technologies such as big data, blockchain, and cloud services to unlock the full potential of our core business data and information. This empowers us to support regulatory authorities in strengthening market oversight and achieve our vision of sustainable operations.

Sustainability Development Strategy

Building a Financial Service Hub to Enhance Market Operations Efficiency

Strategy

- Expanding Business Information Systems for Comprehensive Service Delivery
- Harnessing Financial Technology for Cutting-edge Services and Innovation
- Continued Advancement of Digital Transformation in Business Services
- Integrating Digital Service Platforms to Enhance Financial Market Operations

Balancing Sustainability
and Market Value

- Creating Diverse and Long-term Value for Stakeholders, Facilitating Sustainable Growth of the Company, and Ensuring Smooth and Sound Market Operation through Secure and Efficient Back-end Infrastructure
- Achieving the Complete Dematerialization of Securities Aims to Reduce Market Costs, Align with International Standards, and Offer Customers More Convenient Services by Incorporating Value-Added Features.
- Diverse Platforms and Extended Channels Enable Financial Services and Corporate Governance Decisions to Transcend Borders and Eliminate Barriers, While the Virtual Nature of Fintech Also Contributes to Reducing Environmental Pollution and Energy Consumption

The Development of Inclusive Finance Aims to Enhance the Accessibility of
Financial Services for All Individuals

Strategy

- Conducting Research on Various System Services and Prioritizing Market and Customer Needs Serves as the Driving Force Behind Decision-Making and Strategic Planning
- Promoting Financial Literacy and Education to Foster the Widespread Adoption of Financial Services
- Cultivating Financial Talent

Balancing Sustainability
and Market Value

- In Line with the Inclusive Finance Goals Set by the World Bank, Our Commitment Lies in Creating a Cost-Effective, Efficient, and Inclusive Financial Infrastructure, Aiming to Provide Broader Service Coverage through Innovative Business Development
- Through the Integration of User-Friendly Fund Interfaces and Diverse Distribution Channels, Coupled with the Incorporation of Intelligent Robot Services and Big Data Marketing, Our Objective is to Effortlessly Integrate Investment Behaviors Into the Daily Lives of Both Investors and the General Public

We Contribute to Financial Market Supervision by Harnessing the Power of Fintech to Enhance Regulatory Oversight and Effectiveness

Strategy:

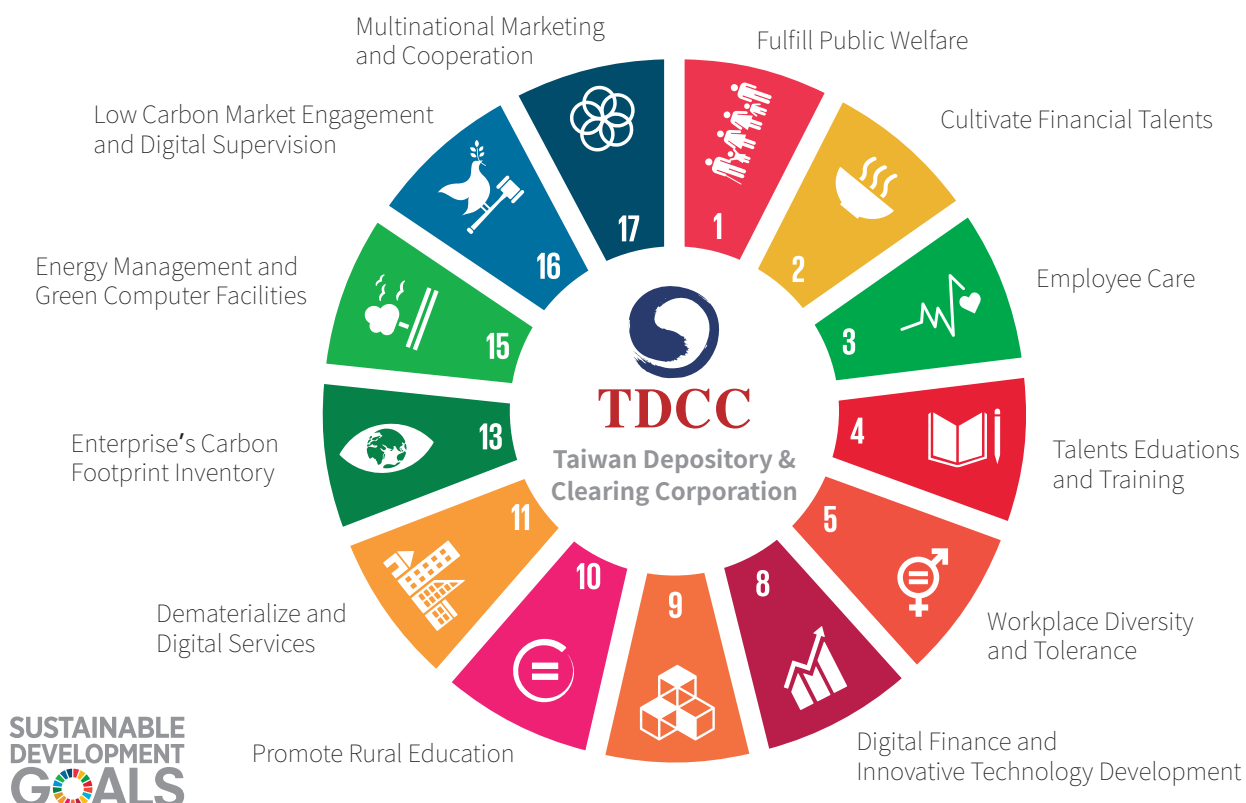
- Enhancing Market Transparency
- Establishment of Regulatory or Control Systems
- Strengthening Operational Auditing and Guidance for Participants
- Utilizing Visual Tools to Provide Regulatory Authorities with Management and Monitoring Reports, Implementing the Use of Big Data

Balancing Sustainability and Market Value

- Improving the Functionality of Back-Office Operations for Financial Instruments, Supporting Regulatory Authorities in the Supervision of Financial Markets, Enforcing Compliance and Internal Control Systems for Participants (Such as Securities Firms and Stock Units) to Ensure Operational Quality and Financial Security, and Protecting the Rights of Investors
- Harnessing the Power of Digital Financial Technology to Efficiently Aggregate and Analyze Large Volumes of Data, Offering Real-time Market Supervision and High-efficiency Analytical Insights to Regulatory Authorities

TDCC's Actions in Response to SDGs

Our Company is committed to supporting the United Nations Sustainable Development Goals (SDGs) and aligning our initiatives with these goals to identify opportunities for promoting sustainability within the framework of TDCC. Our objective is to utilize our core capabilities to gradually implement 13 relevant SDGs. Leveraging our diverse business portfolio, our Company provides technology-driven products, platforms, and regulatory services to drive the market towards sustainable financial services. In addition to enhancing corporate competitiveness, we prioritize internal initiatives to reduce energy consumption, conduct greenhouse gas inventories, and promote green operations and management practices. Adopting a people-centric approach, we wholeheartedly prioritize the well-being of our employees and their families, fostering a healthy, diverse, and inclusive workplace culture. Externally, we actively nurture financial talents and engage in initiatives to support rural areas and cultivate the next generation in Taiwan, thereby strengthening the integration of TDCC with society. Our goal is to harness the influence of finance, markets, and society, and collectively work towards global sustainable development.



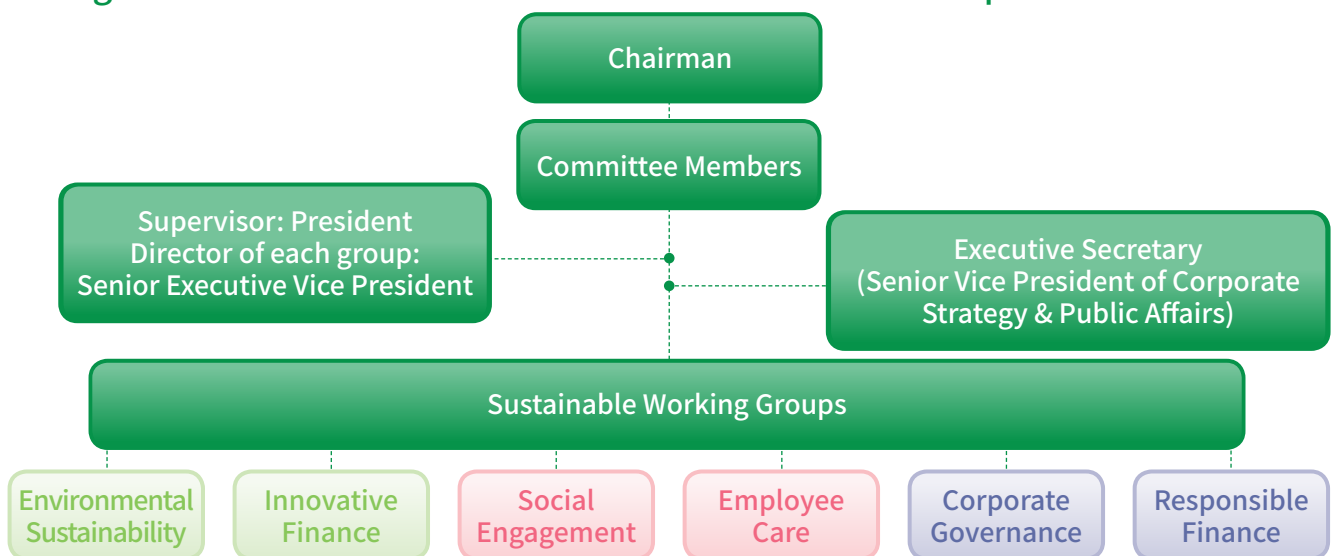
Sustainability Promotion Organization

Sustainable Development Committee

TDCC established the Corporate Social Responsibility Committee in 2017, which was renamed the Sustainable Development Committee in 2021. To align with government policy and establish a governance structure for promoting sustainable development, in 2023, according to Article 26 of the Articles of Incorporation, a "Sustainable Development Committee" subordinate to the board of directors was established. The chairman of the board serves as the convener, with directors and supervisors among other board members serving as committee members. The committee meets at least twice a year and is responsible for reviewing the company's sustainable development policies, systems, or related management guidelines and specific action plans.

The Sustainable Development Committee's working group is overseen by CEO, with the vice president responsible for supervision. Each working group, organized by relevant departments according to different thematic areas, is tasked with executing specific actions.

Organizational Structure of the TDCC Sustainable Development Committee



Responsibilities of the Subcommittees under the TDCC Sustainable Development Committee

Environmental Sustainability Group		Innovative Finance Group	
Corporate Strategy and Public Affairs Department, General Administration Department, IT Infrastructure	<ul style="list-style-type: none"> Conducting Carbon Footprint Assessment Energy Efficiency Management Developing Carbon Reduction Plans 	Equity Services Department, Fixed Income Services Department, Fund and Global services Department, Issuer Services Department, Intermediaries Compliance & Inspection	<ul style="list-style-type: none"> Promoting Innovation in Core Business Services Promoting Innovative Financial Products and Services Creating a Digital Financial Technology Application Environment
Social Engagement Group		Employee Care Group	
Corporate Strategy & Public Affairs	<ul style="list-style-type: none"> Promoting Public Welfare Initiatives for Vulnerable Groups, Education, Culture, Sports, and Other Areas Implementing Financial Literacy Education and Outreach Programs 	General Administration Department	<ul style="list-style-type: none"> Establishing an Effective Career Development and Training Program Enhancing Salary and Benefits and Creating a Friendly Work Environment Proactively Establishing Effective Employee Communication Channels

Corporate Governance Group		Responsible Finance Group	
Corporate Strategy and Public Affairs Department, Legal Affairs and Compliance Office, Internal Auditing Office, Finance Office	<ul style="list-style-type: none"> Promoting Corporate Governance Affairs and Integrity in Business Operations Policy Responsible for Regulatory Compliance and Safeguarding Customer Rights, Protecting Customer Data Responsible for Internal Control and Audit Matters within the Company Managing Financial Disclosure and Information Transparency Enhancing Communication with Stakeholders 	Equity System Department, Fixed Income System Development Department, IT Infrastructure Department, Digital Development and Information Security Department	<ul style="list-style-type: none"> Promoting Information and Communication Technology (ICT) Security Mechanisms Enhancing Stability and Operational Efficiency of Core Business Systems Developing Digital Financial Technology Application Systems

1.2

Market and Service Value Chain

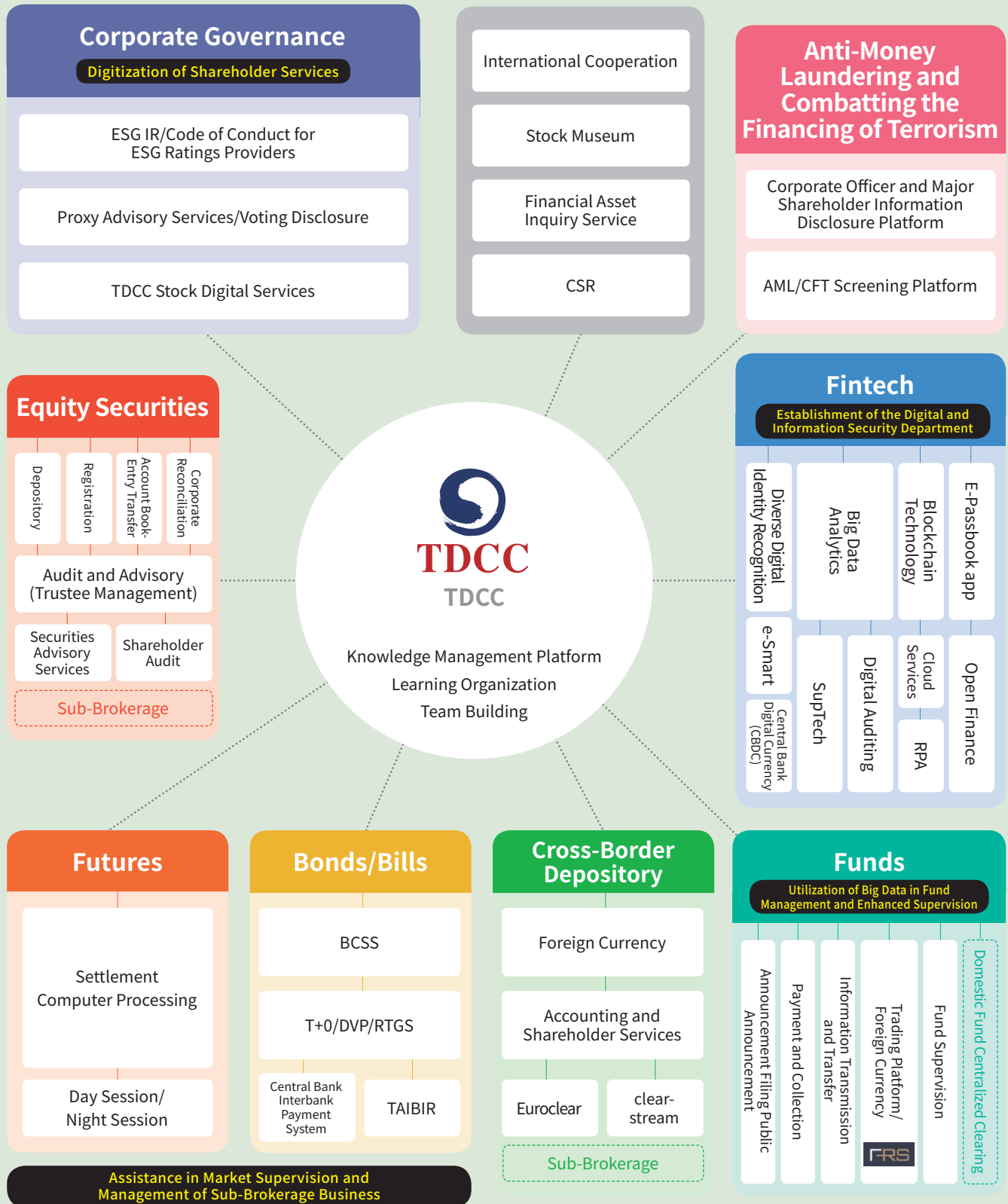
TDCC is committed to fostering the long-term development of the overall market. In addition to actively supporting regulatory authorities in policy implementation, TDCC focuses on deepening its five core business areas to meet the requirements of financial market development. Moreover, TDCC places a strong emphasis on business digitalization and innovation. The main services provided by TDCC include:

- I. Comprehensive financial back-end services, including centralized custody, settlement, book-entry transfer, shareholder services, as well as information services of the five major financial commodities: stocks, futures, bonds, funds, and cross-border depository.
- II. Adopting fintech and big data, the Company has launched a variety of innovative digital services, including the E-Passbook app, an electronic voting system, a video conference platform for shareholder meetings, an investor relations (IR) platform, a securities and futures industry ESG implementation information control system, a big data information platform, the AML/CFT Screening Platform, and the Company Transparency Platform (CTP).

TDCC upholds the core philosophy of “benefiting others for the common good” while serving the financial market. We strive to offer high-quality, diverse, and innovative services, with the goal of establishing a digital financial infrastructure that serves as the foundation for the future. TDCC boasts three key service advantages, which are as follows:

- I. a secure, convenient, stable, and reliable back-office operation mechanism for Taiwan’s capital market, prioritizing the delivery of diverse and top-quality services to our clients;
- II. a comprehensive back-office information system, with enhanced information governance and reinforced information security protection, ensuring stable operations and a solid digital financial infrastructure;
- III. and diverse talents that have been recruited and trained a systematic manner, facilitating the passing along of employees’ core competencies.

Main Products and Services of TDCC



For detailed information regarding the services and market value benefits offered by TDCC, please refer to Chapter 4: Green Operations and Sustainable Financial Services.

Subsidiary of TDCC: FundRich

FundRich is an online platform for mutual fund sales and wealth management. It consolidates fund information from multiple mutual fund companies and investment advisors, aiming to assist investors in securely and conveniently investing in funds with reasonable costs and comprehensive information. However, FundRich differentiates itself from traditional sales institutions due to its unique shareholder structure, background, and other factors. ESG (Environmental, Social, and Governance) sustainability goals are deeply embedded in the DNA and core values of FundRich. The practice of inclusive finance is a specific manifestation of FundRich's commitment to ESG principles.

E refers to environmental friendliness (Environmental). The global rise of internet technology has facilitated innovative advancements that are transforming the financial services industry, introducing novel ideas into service processes. This not only enhances convenience for customers but also significantly alleviates the environmental impact associated with traditional practices. FundRich operates on an open platform structure, offering comprehensive fund management services that align with fintech innovation and cater to diverse market demands. The Company strongly embraces the concept of environmental friendliness. More than 70% of investors on the platform choose electronic account opening, and all transactions are conducted electronically, leading to a significant reduction in greenhouse gas emissions. FundRich actively contributes to global efforts in mitigating global warming.

S stands for social responsibility (Social). FundRich is dedicated to its mission of promoting accurate financial concepts and education. It organizes long-term online and offline financial seminars and utilizes mass media and social media platforms to propagate and advocate for concepts such as regular investment, disciplined investing, and retirement planning. In addition, FundRich offers incentives such as platform fee discounts and low management fee level funds to encourage individuals from diverse backgrounds to learn about financial management and proactively plan their finances for different stages in life. In response to social changes such as an aging population and low birth rate, FundRich actively collaborates with regulatory authorities, TDCC, and major financial institutions. It has launched initiatives like "Good Retirement" and the "Good Retirement Preparation Platform" that bring together investment and protection and are designed to assist Taiwanese people in building a secure retirement safety net and alleviating concerns about the future. Additionally, FundRich has promoted the "Good Aging" public welfare project, demonstrating care for vulnerable groups and the elderly with the hope of inspiring others to contribute and ensure that the elderly can enjoy dignity and security during their golden years.

G represents corporate governance (Governance). FundRich's shareholders include TDCC, Taipei Exchange, and 33 domestic and international asset management companies. The Company assumes a significant responsibility in safeguarding the rights and interests of investors. Since its inception, the platform has prioritized system and information security. It consistently promotes core system updates and upgrades, optimizes website architecture and interfaces, conducts regular external audits of data centers, performs off-site backup drills, provides comprehensive cybersecurity education and training to employees, and conducts regular website vulnerability scanning. These proactive measures are aimed at enhancing information security and providing a stable and user-friendly information platform. FundRich is committed to offering a secure and trustworthy environment for investors to trade with confidence.

In the future, FundRich will focus on implementing inclusive finance by expanding the reach of fund management services to a broader audience of Taiwanese citizens. The platform will leverage its resources to benefit the community and contribute to its welfare. By doing so, FundRich aims to transition from "digital finance" to "inclusive finance" and make further progress towards the development goal of "sustainable finance."

The primary core values of FundRich are



By applying innovative technologies, we continuously enhance the platform's functionality, provide investors with convenient and user-friendly services, reduce paper usage, and alleviate environmental burdens, all to contribute to the protection of the Earth.

Through online and physical public welfare lectures, we actively advocate for correct financial management concepts, cultivate disciplined financial habits among the public, and care for and support vulnerable seniors and families, giving back to society.

Enhancing the platform's information security, we provide a stable system with a reliable and responsible attitude, ensuring investors enjoy a stable and secure trading environment, protecting investors' rights and interests.

Supply Chain of Products and Services

The primary suppliers for Taiwan Depository & Clearing Corporation and FundRich are providers of hardware equipment and software services. The company's hardware equipment comprises data center servers, computer machines, and other information and communication technology infrastructure provided by vendors. The software equipment includes vendors responsible for information security protection, as well as contracted vendors responsible for software or foundational program development. We prioritize maintaining strong and positive relationships with our suppliers, considering factors such as product quality, service, delivery time, and price. Additionally, we value suppliers who align with TDCC's corporate social responsibility principles. Our goal is to cultivate collaboration with our suppliers to establish a sustainable value chain in the future.

Supplier Sustainability Policy

To achieve TDCC's vision and strategy for sustainable operations and expand our influence, the Company's goal goes beyond cultivating a robust internal culture. We actively pursue partnerships with our suppliers to implement sustainable policies that encompass environmental, social, and governance dimensions. Through collaboration, we aim to maintain high ethical standards, protect labor rights, and promote environmental conservation.

The Company, TDCC, collaborates solely with local suppliers. In order to promote responsible practices, the Company has implemented the Supplier Sustainability Advocacy Policy, which outlines the corresponding code of conduct for our suppliers. As of the end of 2023, we are pleased to announce that all suppliers have signed the policy, achieving a completion rate of 100%.

1.3

About Our Company

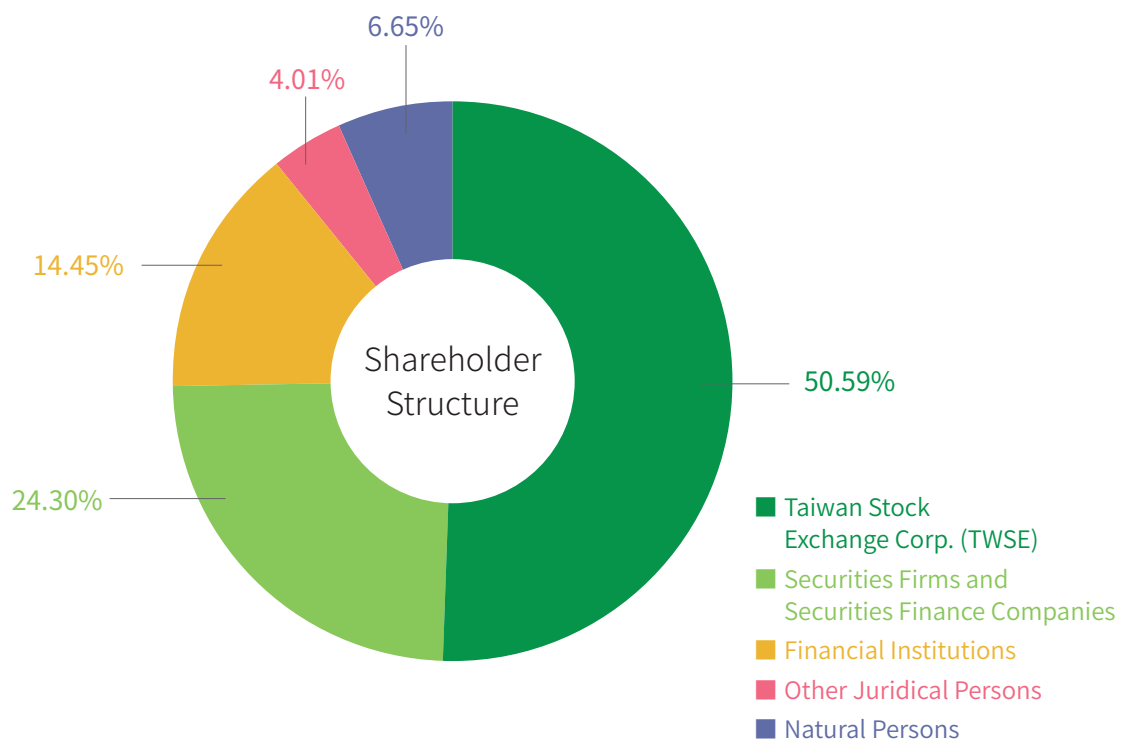
TDCC	
Date of Establishment	1989
Location of Operations	Taipei City: Hongya Building, Fuxing North Road; Nangang; and Zhubei Data Centers.
2023 Annual Revenue	NT\$9,159,888,000 ^(Note 1)
Total number of employees at the end of 2023 in the Taiwan Depository & Clearing Corporation	529 people ^(Note 2)

Note 1. The source of revenue data is the consolidated financial statements, including the investment in FundRich

Note 2. The total number of employees includes both full-time and part-time employees. For detailed data, please refer to section 5.1 Human Resources.

Shareholder Structure

As of the end of 2023, the shareholder ownership ratio list for the Taiwan Depository & Clearing Corporation is as follows:



About FundRich

Date of Establishment	2015
Location of Operations	Taipei City: Hongya Building, Fuxing North Road
Total Number of Employees at FundRich as of the End of 2023	70

Operational Performance

In 2023, even as the world gradually recovered from the pandemic, it continued to face challenges and changes. On one hand, we could finally lift the gloom of the COVID-19 pandemic, and on the other hand, it heralded a new era of digital competitive advantage for the capital market. To respond to changes in the financial environment and the advent of the digital age, the Central Securities Depository leveraged innovative thinking to permeate its platform philosophy, advancing business transformation and innovation. Through years of dedicated efforts to diversify its operations, TDCC has achieved remarkable outcomes in various facets of its business. These achievements include the establishment of a digital financial environment for capital markets, support for the implementation of the “open securities” policy in alignment with the capital market blueprint, advancement of big data capabilities, enhancement of fund services, promotion of corporate governance and ESG practices, and active participation in international exchanges.

In 2023, TDCC, including its investment businesses, achieved consistent growth in overall performance, reporting a post-tax profit of NT\$5.483 billion. The Company’s stable profitability over recent years underscores its capability to deliver a dependable and comprehensive platform and system, as well as its dedication to staying at the forefront of industry developments and driving innovation. These achievements are a testament to the collaborative teamwork within the Company, which has contributed to positive business outcomes.

● Unit: NT\$thousand

Year	2023	2022	2021
Total Assets	44,716,853	39,628,097	37,241,615
Operating Revenue	9,159,888	8,292,556	10,322,508
Non-Operating Revenue and Expenditures	769,673	256,388	290,513
Operating Expenses	3,173,036	3,168,191	2,949,321
Employee Benefits Expenses	1,348,180	1,454,321	1,306,702
Tax Expenses	1,051,224	1,491,123	930,518
Profit Before Tax	6,756,525	5,380,753	7,663,700
Net Profit After Tax	5,483,310	4,308,326	6,174,155

Note 1. This is a consolidated financial statement, including FundRich, which is accounted for as an investment.

Note 2. The tax expenses refer to the amount of taxes payable for the previous fiscal year.

External Stakeholder Engagement

The Company actively participates in international organizations and holds a board membership in the World Forum of CSDs (WFC). Our objective is to enhance Taiwan's international presence by sharing expertise and practical experience. Furthermore, we collaborate with various domestic associations, organizations, and academic institutions to foster exchanges and share the latest knowledge in finance and other fields. These efforts collectively contribute to the development of the domestic financial market. For a comprehensive list of participating public associations, please refer to Annex: [Participation in Associations and Organizations](#).

Significant Sustainability Issues

- 2.1 Identification of Significant Issues and Stakeholder Engagement
- 2.2 Material Issue Management Policy

2.1

Identification of Significant Issues and Stakeholder Engagement

Identification and Sorting of Sustainability Issues

At the heart of TDCC's sustainable development efforts lies a commitment to listen to stakeholder opinions and address their concerns on significant issues. Following the GRI Standards and AA1000SES, the Company has established a model for conducting materiality analysis, which aims to gauge stakeholder concerns about sustainability issues and assess their impact on the Company's sustainable operations. The results of this analysis serve as a valuable reference for setting sustainability management goals.

01

Stakeholder Identification

Since its initial release in 2017, TDCC Corporate Social Responsibility (CSR) Report has identified of stakeholders who are either influenced by the Company or have an impact on the Company. These stakeholders are closely associated with the Company's operations and activities.

02

Mastering Sustainability Issues

The Company places a strong emphasis on sustainability issues related to its operations and business. This includes considering the sustainability issues faced by both domestic and international peers. As part of this focus, the Company has identified sustainability issues as key areas of attention. These areas align with the core values of current stakeholders and are in line with the latest international standards and content of ESG Reporting. TDCC is committed to addressing these issues and promoting sustainable practices throughout its operations.

03

Impact Assessment

Considering that stakeholders' concerns and expectations regarding sustainability issues have not significantly changed, in 2023, following the 2022 sustainability questionnaire survey, we identified the real and potential operational impacts on six types of stakeholders, assessing the significance of each impact.

04

Determination of Material Issues

The Company cross-referenced the identified material topics with operational impacts, prioritized significant impacts, and validated them with experts, resulting in the identification of material issues.

05

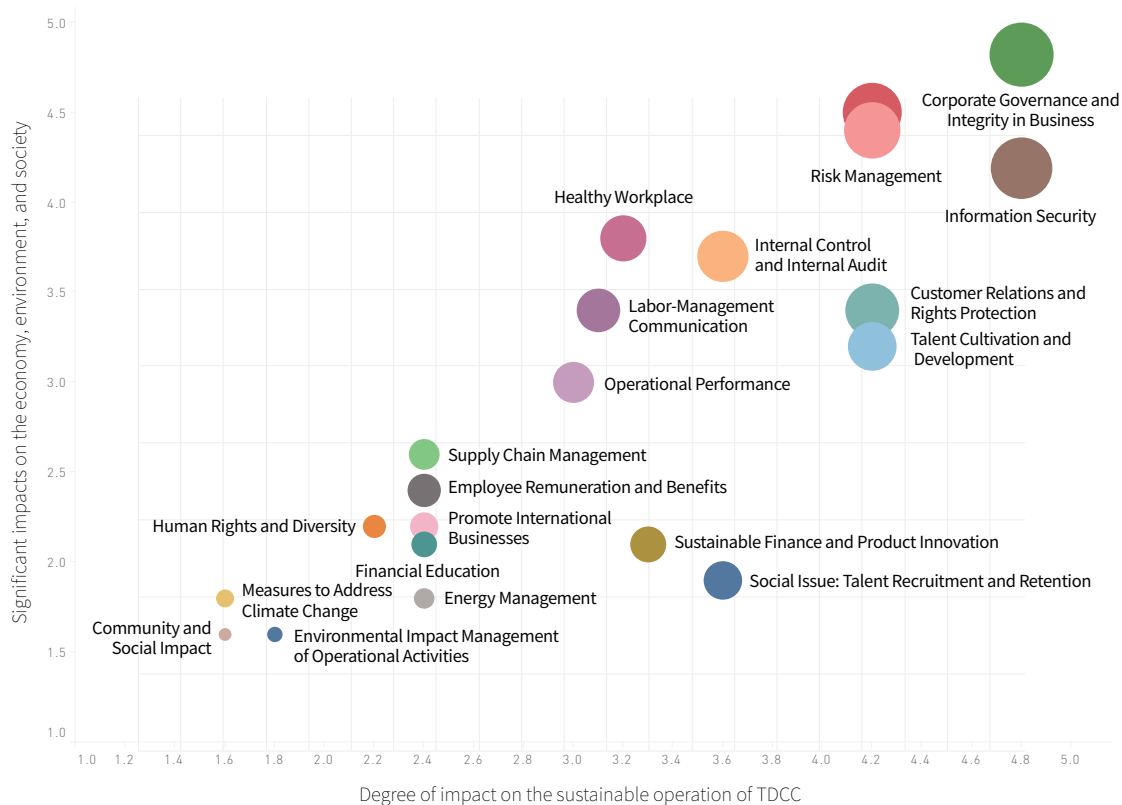
Summary of Considerations Engagement and Communication

The Report includes input and feedback from both TDCC and stakeholders on material issues, as well as the Company's management policies to address them. TDCC regularly evaluates and monitors the efficacy of each measure as a key component of its long-term sustainability strategy.

Impact Identification Assessment and Prioritization of Material Topics

The Company, TDCC, assesses the impact of its organizational activities and business relationships on the economic, environmental, and social dimensions, including human rights. To determine the significance of 21 relevant issues, TDCC evaluates both actual and potential positive impacts based on their severity and likelihood. This assessment considers factors such as the scale, scope, and probability of the impacts. The ranking of material sustainability topics is as follows:

Assessment of the Impact and Significance of Sustainability Issues



Sustainability Issue Prioritization

Ranking	ESG	Social Issue	Ranking	ESG	Social Issue	Ranking	ESG	Social Issue
01	G	Corporate Governance and Integrity in Business	08	S	Healthy Workplace	15	S	Promote International Businesses
02	S	Information Security	09	S	Labor-Management Communication	16	S	Financial Education
03	G	Policy and Regulatory Compliance	10	G	Operational Performance	17	S	Human Rights and Diversity
04	G	Risk Management	11	S	Social Issue: Talent Recruitment and Retention	18	E	Energy Management
05	S	Customer Relations and Rights Protection	12	S	Sustainable Finance and Product Innovation	19	E	Measures to Address Climate Change
06	G	Internal Control and Internal Audit	13	S	Employee Remuneration and Benefits	20	E	Environmental Impact Management of Operational Activities
07	S	Talent Cultivation and Development	14	G	Supply Chain Management	21	S	Community and Social Impact

Stakeholder Communication

The Company employs a structured mechanism to engage in stakeholder communication. Regular and ad-hoc communication takes place through various platforms, such as the inclusion of a dedicated stakeholder section on the official website and the establishment of communication hotlines. These channels facilitate effective communication with stakeholders to conduct comprehensive investigations into environmental, social (including human rights), and corporate governance issues. The objective is to identify, prevent, mitigate, and disclose any actual or potential negative impacts and positive influences associated with each issue.

Stakeholder	Relationship with TDCC	2023 Communication Channels and Frequency
Employees	Having an outstanding management team and talented individuals is crucial to fostering sustainable business operations and promoting growth. Acknowledging talent as the foundation of entrepreneurship, it is crucial to recognize that employees are invaluable assets and should be provided with a healthy and equitable work environment.	<ul style="list-style-type: none"> • Labor-Management Meetings (held quarterly) • Employee Suggestion Form and Two-Way Communication (on an ad hoc basis) • Face-to-face, Written, and Telephone Communication (immediate) • Executive Management Meetings (weekly/monthly) • e-Training Digital Learning Platform (on an ad hoc basis)
Customers/ Participants	The Company aims to proactively provide desired services to clients and co-create value regeneration, which are the main sources of revenue.	<ul style="list-style-type: none"> • Meetings of Relevant Associations (on an ad hoc basis) • Meetings and Face-to-face, Written, and Telephone Communication (immediate) • Cooperating with Regulatory Authorities on Inspections (on an ad hoc basis) • Informational Meetings (on an ad hoc basis) • Customer Satisfaction Surveys (conducted annually) • Publications (bi-monthly/yearly) • e-Training Digital Learning Platform (on an ad hoc basis)
Regulatory Authorities	The Company, TDCC, operates as a government-authorized entity. Therefore, regulatory approval is required for many of our operations, and compliance with their oversight and audits is necessary. As a result, regulatory authorities play a crucial role in our operations.	<ul style="list-style-type: none"> • Official Correspondence (on an ad hoc basis) • Telephone Communication (on an ad hoc basis) • Email Communication (on an ad hoc basis) • Meetings and Seminars (on an ad hoc basis)
Shareholders/ Investors	The Stock Exchange holds a significant stake of 50.59% in our shareholder structure, making it a key stakeholder. Furthermore, other financial institutions also hold substantial positions in the Company. Operational performance, corporate governance, and sustainable development are of utmost importance to TDCC, and we prioritize attention to these areas. Our aim is to ensure the long-term success and responsible growth of our organization by focusing on these aspects.	<ul style="list-style-type: none"> • Shareholders' General Meeting (held annually) • Board of Directors Meeting (held monthly) • Meetings and Face-to-face, Written, Email, and Telephone Communication (immediate) • TDCC Annual Report (issued annually) • TDCC Website Updates (on an ad hoc basis) • Official Website with a Webpage for Message Board (on an ad hoc basis) • Publications (bi-monthly/yearly)
Suppliers/ Contractors	The Company relies on dependable supplier partners to deliver top-notch products and services that meet regulatory requirements. The various services provided by TDCC are contingent upon the reliability and quality of these suppliers. Establishing a cooperative relationship built on mutual trust is of utmost importance to ensure smooth operations and maintain high standards. By fostering strong partnerships with our suppliers, we can enhance our ability to provide exceptional services to our clients while adhering to the necessary regulations.	<ul style="list-style-type: none"> • External Communication Mailbox (immediate) • Real-time Business Communication (on an ad hoc basis) • Meetings and Face-to-face, Written, and Telephone Communication (immediate)
Community	TDCC places importance on the impact of community engagement activities on local development.	<ul style="list-style-type: none"> • Business Communication (on an ad hoc basis) • Event Organization (on an ad hoc basis) • Result Presentation (on an ad hoc basis)

2.2

Material Issue Management Policy

In accordance with the Global Reporting Initiative (GRI) standards, the Company presents a transparent disclosure of the key issues concerning TDCC for the year 2023. Our approach involves identifying relevant stakeholders, establishing policies and commitments, setting goals, and implementing communication mechanisms associated with these issues. This is aimed at meeting the diverse expectations of our stakeholders regarding the sustainable development of TDCC. Adhering to the GRI standards, we aim to ensure accountability, foster trust, and promote responsible practices that contribute to the long-term success and positive impact of our organization.

Boundaries of Material Issue Impact

Material Issues	Corresponding GRI Guidelines Indicators	Within the Organization	Outside the Organization					Corresponding Chapters/Sections
		Employees	Customers/Participants	Shareholders/Investors	Regulatory Authorities	Suppliers/Contractors	Community	
Corporate Governance and Integrity in Business	GRI 205: Anti-Corruption 2016 (205-3)	✓		✓				2.2
	GRI 417: Marketing and Labeling 2016 (417-2, 417-3)							3.1
Information Security	GRI 418: Customer Privacy 2016 (418-1)	✓		✓	✓			2.2 3.2
Policy and Regulatory Compliance	GRI 2-27: Legal Compliance	✓	✓					2.2
	GRI 417: Marketing and Labeling 2016 (417-2, 417-3)							3.1 4.1
Risk Management	GRI 3: Material Topics (3-3 Material Topic Management)	✓	✓	✓	✓	✓	✓	2.1 2.2 3.2
Customer Relations and Rights Protection	GRI 417: Marketing and Labeling 2016 (417-2, 417-3)	✓	✓					2.2
	GRI 418: Customer Privacy 2016 (418-1)							4.1 4.2
Internal Control and Internal Audit	GRI 3: Material Topics (3-3 Material Topic Management)	✓			✓			2.2 3.2
Talent Cultivation and Development	GRI 404: Training and Education 2016 (404-1)	✓						2.2 5.2
Healthy Workplace	GRI 403: Occupational Health and Safety 2016 (403-1, 403-3, 403-4, 403-5, 403-9)	✓						2.2 5.4
Labor-Management Communication	GRI 402: Labor/Management Relations 2016 (402-1)	✓						3.1 5.1

Note 1. TDCC, along with all departments and employees of the Company, collectively represent the organization.

Note 2. Based on relevant occupational health and safety regulations and considering the scale and number of employees at FundRich, it is currently unnecessary to establish specific regulations and implementation plans.

Material Issue Management Policy

Material Issues	Impact Assessment Explanation
Corporate Governance and Integrity in Business	<p>I. TDCC plays a critical role as the only back-end service provider for Taiwan's financial market and is an essential part of the financial infrastructure. Given its importance, it is crucial for the Company to maintain a strong corporate governance system. Failure to do so could lead to adverse consequences, such as a negative impact on operational efficiency and, in severe cases, a disruption to the proper functioning of the financial market. The Company is dedicated to upholding robust corporate governance practices, ensuring transparency, accountability, and responsible decision-making to protect the stability and integrity of the financial system it serves. TDCC has implemented a strong framework to ensure the sound operation of the Company and mitigate operational risks in Taiwan's securities market. This framework includes several key elements, such as the effective functioning of the Board of Directors, fair treatment of shareholders, transparent disclosure of Company information, integrity of management, and a comprehensive audit system. The Board of Directors and Supervisors of the Company maintain a high level of self-discipline and actively adhere to ethical business practices. They oversee the internal management of the Company, thereby contributing positively to various economic activities.</p> <p>II. As members of TDCC, they perform their duties with impartiality, adhering to the principles of integrity and ethics. They handle received assets or benefits, invitations, and entertainment, as well as conflicts of interest, with caution. Additionally, they take measures to prevent solicitation, lobbying, and related matters.</p>
Information Security	<p>To meet the expectations and demands of the public and regulatory authorities regarding information security maintenance, TDCC has established a strong and effective information security management system. This system is based on an information security policy and takes into account the Company's developmental needs and the risks associated with information assets. By increasing customer confidence in the Company, it makes a positive contribution to the economy and ensures optimal information security. As a result, this creates a mutually beneficial relationship with regulatory authorities and society as a whole.</p>
Policy and Regulatory Compliance	<p>TDCC is subject to rigorous supervision by regulatory authorities and is classified as a financial institution that must comply with anti-money laundering measures as mandated by regulatory requirements. To ensure complete compliance with regulations in all aspects of our business operations, the Company employs a range of measures, including promoting, educating, and training our staff. We actively participate in courses and conferences organized by regulatory authorities to enhance our understanding of legal requirements and establish a robust framework for regulatory compliance. By fostering a positive corporate culture and playing a pivotal role in the market, we make a positive contribution to the economy.</p>
Risk Management	<p>To maintain the high quality of our products and services and ensure consistency, the Company embraces a culture of continuous improvement and strives for excellence. We consistently enhance the quality of customer service and improve internal operational efficiency. Implementing robust risk control measures across all business units is a key priority for us. TDCC's review mechanism provides significant benefits and positive feedback that contribute to the overall effectiveness of our business operations.</p>
Customer Relationship Management and Protection of Rights and Interests	<p>Customer Relationship Management is a fundamental principle of the Company's operations. The centralized safekeeping and book-entry allocation services offered by TDCC play a crucial role in ensuring the security of the financial market and safeguarding the rights and interests of investors. The Company is dedicated to enhancing the quality of its services, providing secure and convenient solutions that align with the needs of both the market and its customers. To gather valuable insights and suggestions for improvement, the Company regularly conducts customer satisfaction surveys to assess their service experiences. This enables the Company to effectively reduce overall operating costs and risks, while continuously expanding its portfolio of diversified services. This positive feedback loop helps the Company deliver even better outcomes for its stakeholders. The provision of diverse channels for customer feedback has a positive impact on society (human rights).</p>
Internal Control and Internal Audit	<p>I. To promote the overall sound management of the Company, we prioritize reasonable operational effectiveness and efficiency. Our commitment extends to ensuring reliable, timely, and transparent reporting, compliance with relevant standards, as well as adherence to applicable laws and regulations. These objectives are central to our efforts to uphold the highest standards of corporate governance and achieve sustainable success.</p> <p>II. We assist the Board of Directors and management in evaluating and addressing any deficiencies identified in the internal control system. Our role includes assessing operational effectiveness and efficiency, and providing timely recommendations for improvement. This ensures the continuous and effective implementation of the internal control system, which serves as a foundation for reviewing and revising the system as needed.</p> <p>A strong internal audit and control system is essential in preventing deficiencies and increasing awareness of customer rights. This has a positive impact on the economy, society, and human rights.</p>
Talent Cultivation and Development	<p>In light of digital transformation and the advancement of innovative services, the Company's primary focus is on nurturing skilled professionals and fostering a digital mindset among employees. By harnessing digital technology and integrating resources from various industries, the Company strives to enhance operational efficiency and offer a wide range of digital services to the market. Furthermore, TDCC allocates funds for Environmental, Social, and Governance (ESG) education, aimed at cultivating sustainable finance talents who can make a positive impact on both the economy and the environment.</p>
Healthy Workplace	<p>TDCC places a high priority on the safety and well-being of its employees by strictly adhering to national laws and regulations regarding occupational safety and health. We have developed comprehensive occupational safety and health plans that align with these requirements. In collaboration with the Ministry of Health and Welfare, we actively implement various health promotion activities as part of the Healthy Workplace Certification program. These initiatives provide our employees with comprehensive healthcare support, resulting in a positive impact on society, particularly in terms of upholding human rights.</p>
Labor-Management Communication	<p>To protect the rights and well-being of our workforce, we have established effective management mechanisms and communication channels. These channels facilitate open communication and collaboration between employees and management, with the goal of enhancing employee engagement and fostering a harmonious workplace. By cultivating a positive and fulfilling work environment, we contribute to a positive impact on both the economy and society, including the promotion of human rights.</p>

Policy or Commitment

- I. In compliance with the Personal Data Protection Act and its implementing regulations, the Company has formulated the Personal Data Protection Management Policy to establish and execute a comprehensive system for managing and protecting personal data. The aim of this system is to safeguard the rights of individuals regarding their personal data.
- II. In accordance with Article 12 of the United Nations Convention against Corruption, which mandates countries to implement measures based on their legal principles to prevent corporate corruption and ensure the implementation of internal control mechanisms for the prevention and detection of corruption, TDCC has established the "Code of Conduct for Integrity in the Operation of Listed and OTC Companies" to regulate the conduct of directors and supervisors. Additionally, the Company has formulated the Code of Conduct for Directors and Supervisors of TDCC to enforce the high level of self-discipline expected from directors and supervisors and to uphold the Company's commitment to integrity in its operations.
- III. TDCC's Code of Ethics for Employees and Guidelines for Handling Whistleblowing Cases ensure that employees carry out their responsibilities with impartiality, promote an ethical and transparent corporate culture, and improve the sound operation of the Company.

- I. Adhering to the Cyber Security Management Act, Enforcement Rules of Cyber Security Management Act, the Personal Data Protection Act, Enforcement Rules of Personal Data Protection Act and the ISO27001 standards, we implement the construction of an information and communication security environment to protect the rights and interests of investors.
- II. Fully utilizing information and communication security technology, we construct an information security protection mechanism that is both effective and comprehensive to ensure the confidentiality, integrity, and availability of information assets.

- I. TDCC strictly adheres to securities, bond, and futures management laws and regulations. We are fully committed to adapting our operational procedures and internal rules in accordance with regulatory changes mandated by supervisory authorities. The Company is committed to adhering to the Personal Data Protection Act in all facets of personal data management. We prioritize the security and safeguarding of personal information to ensure the privacy and confidentiality of individuals' data.
- II. TDCC has developed operational guidelines, precautions, and plans specifically designed for anti-money laundering and combating the financing of terrorism. We are fully committed to adhering to the requirements outlined in the Anti-Money Laundering Act and Counter-Terrorism Financing Act, ensuring strict compliance with all relevant regulations.

In compliance with the Regulations Governing Approval and Administration of Short-term Bills Clearing and Depository Organizations, the Company has established a comprehensive organizational framework for risk management, ensuring the effective functioning of risk management systems and mechanisms overseen by the Board of Directors. Additionally, a dedicated Risk Control Committee has been established to oversee risk management affairs. To address risks associated with personal data, the Company has implemented the Taiwan Personal Information Protection and Administration System (TPIPAS).

Quality Policy:

- I. Establishing a professional, efficient, and internationalized mechanism.
- II. Providing secure, convenient, and diversified services.
- III. Ensuring the protection of user privacy and safeguarding consumer rights in all services and operations provided by TDCC.

The Internal Audit Department operates independently to conduct audits, supporting the Board of Directors and senior management in evaluating the effectiveness of the Company's internal control system. It provides timely recommendations for improvement and ensures the continuous and effective implementation of the internal control system. The basis for audit and evaluation includes the following:

- I. The establishment of internal control system processing guidelines for the provision of securities and futures market serviced.
- II. The securities and futures industry, along with other financial institutions designated by the Financial Supervisory Commission, is required to implement internal control and audit system measures to combat money laundering and the financing of terrorism, in line with the provided guidelines.
- III. Internal Control System and Internal Audit Implementation Regulations for TDCC.

- I. In line with TDCC's strategic objectives, we consistently integrate and leverage comprehensive educational and training resources to enhance the professional knowledge of our employees. We also foster a digital mindset and provide diverse development opportunities. Regular performance evaluations are conducted to effectively enhance employees' competencies, monitor job performance, and guide them towards continuous improvement and growth.
- II. In compliance with Article 23 of the Regulations Governing Centralized Securities Depository Enterprises and the Regulations Governing Approval and Administration of Short-term Bills Clearing and Depository Organizations, the Company has implemented personnel management policies that prioritize the principle that talent is the Company's greatest asset. We prioritize talent training and development, utilizing digitalized learning programs to acquire innovative knowledge in various technologies. This approach accelerates talent growth, enhances employee competitiveness, and contributes to the sustainable growth of our organization. It serves as a vital foundation for TDCC's ongoing improvement in service delivery in the future.

TDCC places a high priority on the safety and health of its employees and strictly adheres to the occupational safety and health requirements set forth by national laws and regulations. We have implemented comprehensive occupational safety and health plans to ensure compliance and foster a safe working environment for our employees. Additionally, we actively collaborate with the Ministry of Health and Welfare to carry out various health promotion activities as part of the Healthy Workplace Certification program. These initiatives are designed to provide our employees with comprehensive healthcare support and assistance, thereby promoting their overall well-being.

- I. TDCC is fully dedicated to fostering harmonious labor-management relations and cultivating a healthy, safe, and inclusive workplace environment. We prioritize two-way communication and encourage the exchange of opinions to facilitate ongoing improvements in the work environment and the enhancement of our Company culture.
- II. In the event of significant operational changes or decisions that may affect employee rights, TDCC is committed to adhering to relevant laws and regulations by providing advance notice. We prioritize legal compliance and ensure that employees' rights are protected in full accordance with the law, without any violations.

Material Issues	Objectives and Targets
Corporate Governance and Integrity in Business	<ol style="list-style-type: none"> The management team at TDCC is dedicated to promoting company operations with a fair and objective approach. They adhere to professional standards and actively work to strengthen the protection of shareholders' and investors' rights. There have been no instances of corruption.
Information Security	<p>TDCC has implemented an Information and Communication Security Policy, which is reviewed and evaluated annually by the management team during Information and Communication Security Meetings. This process ensures that our information and communication security practices align with the latest requirements in terms of management, operational standards, technology, business needs, and regulatory compliance. The primary objective is to ensure the availability, security, and effectiveness of TDCC's information and communication security practices while continuously improving the appropriateness of TDCC's information and communication security management operations.</p>
Policy and Regulatory Compliance	<p>The Company strictly adheres to regulations and laws concerning securities, bills, and futures. We also prioritize compliance with personal data protection and anti-money laundering regulations. Throughout the year, the Company has maintained a clean record without any penalties imposed by regulatory authorities. Furthermore, we actively collaborate with the government to enhance anti-money laundering and counter-terrorism financing policies. The Company proactively implements changes in policies and regulations as directed by regulatory authorities to ensure its continued commitment to compliance. We are proud of our compliance record and will continue to prioritize compliance in the future.</p>
Risk Management	<p>The Company conducts regular assessments of various categories of risks. Based on their findings, appropriate countermeasures and improvement plans are proposed, with expected completion dates set for these measures.</p>
Customer Relationship Management and Protection of Rights and Interests	<ol style="list-style-type: none"> Every year, TDCC sets quality objectives, policy statements, privacy protection guidelines, information security policies, and personal data protection management goals. Each unit of the Company is responsible for implementing these objectives according to their respective roles and responsibilities. Our goal is to enhance customer service by effectively integrating customer feedback and communication platforms. The Company is fully committed to improving service quality and ensuring the appropriateness, adequacy, and effectiveness of TDCC's quality management system. We evaluate customer satisfaction to assess various aspects of our overall corporate image, enabling us to gain a comprehensive understanding of satisfaction levels across different areas. Every year, the Company formulates comprehensive business plans that delineate the scope of implementation, expected outcomes, and estimated timeline. These plans serve as a roadmap for our activities throughout the year. Additionally, we conduct performance evaluations to assess the effectiveness of our execution against these plans. The results of these evaluations are then reported to the regulatory authorities.
Internal Control and Internal Audit	<p>We promote sound business operations to reasonably ensure the achievement of the following objectives:</p> <ol style="list-style-type: none"> Operational effectiveness and efficiency. Reporting that is reliable, timely, transparent, and compliant with relevant standards. Compliance with applicable laws and regulations.
Talent Cultivation and Development	<ol style="list-style-type: none"> Talent Acquisition: We have implemented a comprehensive talent recruitment system that aligns with the advancements in digital fintech. Our goal is to attract and hire a diverse pool of professionals who possess expertise in digital finance, demonstrate innovative thinking, and exhibit a strong team spirit. Talent Development: We are in the process of establishing and optimizing innovative comprehensive education and training programs. Additionally, we are implementing a performance evaluation mechanism to effectively nurture and develop our talents. Talent Retention: We are in the process of establishing a range of employee benefits to cater to diverse needs. We are also ensuring the presence of smooth labor-management communication channels, creating a healthy and safe workplace environment, and fostering a friendly and inclusive culture. These initiatives are aimed at retaining our valuable talents within the organization.
Healthy Workplace	<ol style="list-style-type: none"> Establishing a Health Promotion Team to foster collective consensus and develop effective strategies and plans. Promoting employee awareness of health promotion and encouraging the application of healthy lifestyle practices to cultivate healthy habits. Building a culture of proactive employee wellness and enhancing their self-care knowledge and skills in health management. We strive to effectively promote health initiatives that encourage employees to adopt healthy behaviors and cultivate a healthy lifestyle. By doing so, we aim to enhance their overall health and well-being.
Labor-Management Communication	<p>TDCC holds four labor-management meetings annually, one per quarter, and also organizes three bilateral communication forums for new employees and for department-level personnel. Also, follow-up seminars are conducted to discuss suggested communication improvements, with the aim of continuously enhancing work efficiency. Additionally, negotiations are conducted with TDCC's corporate union to promote labor harmony, protect the interests of both parties, and enhance business development and employee welfare.</p>

Communication and Complaint Mechanism	2023 Action Plans and Results	Stakeholder Engagement
<ul style="list-style-type: none"> I. Establishment of the Code of Ethical Conduct for Employees of Taiwan Depository & Clearing Corporation Limited. II. TDCC has developed the Guidelines for Handling Whistleblower Cases at Taiwan Depository & Clearing Corporation Limited, which establishes an independent unit responsible for receiving and investigating whistleblower cases. This system will be integrated into the scope of internal controls to ensure a robust mechanism for addressing and resolving such cases. 	For further details, please refer to section 3.1, Corporate Governance	TDCC, FundRich, Shareholders/ Investors
<ul style="list-style-type: none"> I. In addition to disseminating and promoting the information security policy among all company personnel, it is also announced in the "Information Security Section" on the company's official website, providing external personnel with access to information. II. Feedback can be provided through the official website's feedback form, email service mailbox, a dedicated service line for investors, or in writing. III. A "Preventive Measures Procedure" is established to develop and implement preventive actions that can effectively eliminate potential causes of non-conformities, aiming to prevent the occurrence and impact of issues. Additionally, a "Corrective Measures Procedure" is set up to control related management activities for subsequent improvement measures. 	For further details, please refer to section 3.2, Risk Management	TDCC, FundRich, Shareholders/ Investors, Regulatory Authorities
<ul style="list-style-type: none"> I. Establishment of the Guidelines for Handling Whistleblower Cases at Taiwan Depository & Clearing Corporation Limited. II. Establishment of the Procedures for Exercising Rights, Filing Complaints, and Seeking Consultations for Parties Involved at Taiwan Depository & Clearing Corporation Limited. III. In 2023, we did not receive any internal or external complaints within the Company, and no cases were reported concerning the exercise of personal data protection rights, complaints, or consultations. 	Please refer to section 3.1, Corporate Governance, and section 4.1, Enhancing Financial Market Infrastructure and Assisting Market Supervision, for more details.	TDCC, FundRich, Customers/ Participants
<ul style="list-style-type: none"> I. Both internal and external units have various channels to address risk considerations in different business areas, including email correspondence, utilizing the investor relations service hotline available on the official website, filling out the feedback form on the official website, and submitting written documentation to the relevant departments. II. The Continuous Improvement Procedures for Organizations are formulated in accordance with policies, objectives, business plans or improvement proposals, and are implemented, confirmed and reported to the competent authorities. 	For further details, please refer to section 3.2, Risk Management	TDCC, FundRich, Customers/ Participants, Shareholders/ Investors, Regulatory Authorities, Suppliers/ Contractors, Community
<ul style="list-style-type: none"> I. Customer service hotline, in-person counter service, feedback form on the official website, and email communication. II. When customers file complaints or raise issues, the relevant department responsible for handling such matters will provide explanations and reassurance to the customer. If necessary, they will arrange a visit to discuss the situation and address the concerns raised. Within three business days, the responsible department will complete a Customer Complaint Handling Form to document and report on the resolution of the issue. TDCC takes customer satisfaction seriously and strives to resolve any issues in a timely and efficient manner. III. Following the guidelines set forth in the Customer Relationship Management Procedure Manual, TDCC monitors and tracks feedback obtained from customer satisfaction surveys. The results and benefits of these implementations are evaluated according to the guidelines specified in the Organizational Continuous Improvement Procedure Manual. These evaluations are documented in the Continuous Improvement Operation Effectiveness Report Form. IV. To effectively develop and implement preventive measures, the Company has established the Preventive Measures Procedure Manual (PMP). The PMP focuses on identifying and eliminating potential causes of non-compliance to prevent the occurrence and mitigate the impact of issues. Additionally, the Company has established the Corrective Measures Procedure Manual (CMP) to address subsequent improvement measures and related control matters. 	For further details, please refer to section 4.1, Enhancing financial market infrastructure and assistance to market supervision 4.2, VIP Customer Service	TDCC, FundRich, Customers/ Participants
Audit personnel, in addition to conducting audits according to the audit plan, also carry out project audits on specific operations as needed. During the audit process, if there are unclear issues or further verification is required, they will fully communicate with the audited units. If the audit results reveal operational issues, they listen to the explanations from the audited units and offer suggestions for improvement, achieving two-way communication and understanding, with the aim of smoothly completing the audit work.	For further details, please refer to section 3.2, Risk Management.	TDCC and FundRich
<ul style="list-style-type: none"> I. The Company provides employees with the chance to improve their personal development through the e-Training digital learning platform. Quarterly labor-management meetings are regularly held, while weekly or monthly executive meetings with supervisors are conducted. Employee interviews, care initiatives, and communication activities are organized as necessary. II. The Company conducts qualification assessments and implements improvement measures in accordance with the guidelines specified in the Employee Education and Training Procedure Manual. Additionally, individual courses and training programs offered throughout the year are monitored and evaluated for their effectiveness, as outlined in the manual. 	For further details, please refer to section 5.2, Talent Development	TDCC and FundRich
<ul style="list-style-type: none"> I. TDCC has established an organization for occupational safety and health, as well as a dedicated channel for complaints. Employees have multiple options to express their needs and difficulties, such as using the telephone, email service mailbox, or submitting written forms. II. Furthermore, an employee assistance program is in place, providing comprehensive life assistance to employees. III. TDCC also conducts relevant education and training programs in accordance with its Occupational Safety and Health Management Plan to enhance employees' knowledge and awareness of safety and health matters. 	For further details, please refer to section 5.4, Occupational Health and Safety.	TDCC
<ul style="list-style-type: none"> I. TDCC has established the Guidelines for Handling Whistleblower Cases to implement a reporting system. An independent unit with the authority to maintain autonomy has been designated to handle whistleblower cases and conduct investigations. II. Labor-management meetings take place regularly every quarter, whereas executive meetings occur on a weekly and monthly basis. Employee interviews and care sessions are arranged as needed, on an ad hoc basis. III. Bilateral communication forums are organized with the aim of fostering the exchange of pertinent information between employees and the Company. IV. Regular negotiations are held with the company's corporate union for collective bargaining agreements. 	For further details, please refer to section 3.1, Corporate Governance Implementation 5.1, Human Resources, and section	TDCC and FundRich

Corporate Governance

- 3.1 Corporate Governance Implementation
- 3.2 Risk Management
- 3.3 Climate Governance

Significant
Recognition

- ✓ Arts & Business Award (Ministry of Culture)
- ✓ The National Brand Yushan Award
- ✓ Taiwan Corporate Sustainability Reports Award (TCSA)
- ✓ Innovation and Growth Leadership Award (TCSA)
- ✓ Excellence in Corporate Social Responsibility Award
- ✓ Family-Friendly Workplace Award
- ✓ Asian Corporate Social Responsibility Award

Operational
Performance

- ✓ In 2023, TDCC achieved a post-tax profit of NT\$5.483 billion, indicating a stable overall performance.

TDCC is dedicated to establishing and implementing sustainable business practices, while also integrating principles of integrity and honesty into the actions and service-oriented mindset of both management and staff. TDCC develops various training programs for new employees, existing staff, senior executives, and board members based on operational guidelines, anti-corruption ethics guidelines, and quality policies. The Company is unwavering in its commitment to integrity, compliance with laws and regulations, and the fight against corruption and money laundering. These measures aim to enhance public trust and promote recognition of TDCC through concrete actions and exemplary performance.

3.1

Corporate Governance Implementation

Board of Directors and Functional Committees

The highest decision-making body of TDCC is the General Meeting of Shareholders, and the highest executive body is the Board of Directors. To ensure the integrity and transparency of the company's operations, TDCC has also established the Research Development and Fee Review Committee and the Risk Control Committee.

Board of Directors

The board of directors of TDCC is composed of seven directors, all of whom are representatives of corporate entities, specifically representing the Taiwan Stock Exchange, Yuanta Securities Finance Co., Ltd., and KGI Securities Co., Ltd. There are three supervisors, representing the Securities Dealers Association and the Taiwan Futures Exchange, with one standing supervisor among them. The 12th Board of Directors serves a term from June 24, 2022, to June 23, 2025. The board members and supervisors possess expertise in finance, accounting, law, and fiscal policy, and are distinguished talents from the financial market, academia, and industry. They maintain independence and public interest, overseeing and guiding the major decisions of TDCC management team to ensure all units perform their functions effectively (refer to pages 33-37 of the annual report). In 2023, the board convened 12 regular meetings and 2 extraordinary meetings, with a 100% attendance rate. Additionally, the ESG projects under the Sustainable Development Committee are reported to the board annually in the form of a sustainability report.

To implement integrity in operations, TDCC has established the "Code of Ethical Conduct for Directors and Supervisors." This code stipulates that all directors and supervisors must adhere to self-discipline and integrity. If any proposal on the board's agenda involves a conflict of interest with a director or the corporate entity they represent, the director must disclose the significant aspects of the conflict and abstain from discussing and voting on the matter. This ensures the company's commitment to maintaining integrity in its operations.

Conflict of Interest Avoidance

Directors are required to proactively avoid and report any conflicts of interest in accordance with the Conflict of Interest Act for Public Servants. If a director encounters a situation falling within the scope of a conflict of interest, as defined in Article 4 of the Act, they must submit a Recusal Notice under the Conflict of Interest Act for Public Servants to the Board of Directors, providing a detailed explanation of the nature of the conflict. Additionally, the director shall abstain from participating in discussions and voting related to the matter to ensure transparency and fairness. In 2023, the Company reported three cases to the Control Yuan through the Conflict of Interest Disclosure and Reporting System for Public Servants regarding the avoidance of conflicts of interest and subsidized transactions. As per regulations, the minutes of the board meeting, which serve as a written record, must be submitted to the regulatory authorities within five days.

Board Performance Evaluation

The Chairman and CEO of TDCC are required to conduct an annual self-evaluation for the previous year, utilizing the Performance Evaluation Form, as stipulated in the Implementation Guidelines for Performance Evaluation of Boards of Directors Appointed or Recommended by the Financial Supervisory Commission for Foundations, Institutions, and their Investee Companies. The evaluation standards include attendance at board meetings, achievement of business objectives and growth, cooperation with government policies to attain policy goals, significant accomplishments, and areas necessitating improvement. The evaluation results must be submitted to the Securities and Futures Bureau of the Financial Supervisory Commission (FSC) by April 15th of each year. The Securities and Futures Bureau will subsequently review the outcomes and report them to the FSC.

FundRich

FundRich's Board of Directors consists of nine members, all of whom are corporate representatives from entities such as TDCC, the Taipei Exchange, Cathay Securities Investment Trust, Franklin Templeton Asset Management, and First Taisec Securities Investment Trust. In addition, there are three supervisors, one of whom is a corporate representative from Fubon Securities Investment Trust, while the other two are appointed by the Chairman of FundRich and the Deputy Executive Director of the Institute for Information Industry. The directors and supervisors of TDCC possess extensive industry experience and diverse professional backgrounds, providing them with the necessary expertise to effectively oversee and guide the significant decision-making processes of the Company. Their collective knowledge enables them to ensure that each unit within the organization fulfills its responsibilities efficiently and effectively.

Functional Committees

To enhance the management and supervisory functions of the Board of Directors, TDCC has established various committees, namely the Sustainability Development Committee, the Risk Management Committee, which aims to mitigate risks, the Research and Development and Fee Review Committee, which oversees the development of the fund market and reviews fees, and the Fund Market Research and Development Advisory Committee, which provides guidance and support for TDCC's fund business. The main responsibilities and operations of each committee are as follows:

Committee Name	Main Responsibilities	Operations in 2023
Sustainability Development Committee	<ul style="list-style-type: none"> Approval of the Annual Sustainable Development Plan and Strategic Direction Approval or review of various sustainable development implementation programs Approval of the sustainability report Approval or review of other matters related to sustainable development 	Held one meeting with a perfect attendance rate of 100%
Risk Control Committee	<ul style="list-style-type: none"> Reviewing standards for risk management by participants and the self-assessment reporting mechanism Conducting risk management reviews of depository, clearance, delivery processes, computer system operations, and operational processes between participants 	Held two meetings with a perfect attendance rate of 96.15%
Research and Development and Fee Review Committee (Equity Securities Product Group, Fixed Income Product Group)	<ul style="list-style-type: none"> Planning business development and operational policies Reviewing proposals for new business initiatives Reviewing significant changes in various operations Reviewing service fee standards for depository, registration, book allocation, and transaction clearance 	The Equity Securities Product Group and the Fixed Income Product Group each held two meetings with an average attendance rate of 94.12%
Fund Market Research and Development Advisory Committee	<ul style="list-style-type: none"> The Fund Market Research and Development Advisory Committee is responsible for providing consultation and recommendations on fund market development, product design, and back-office operations. Advising on the planning, marketing promotion, and fee rate formulation of TDCC's investment company fund business. 	Held two meetings with an average attendance rate of 78.57%

Integrity and Anti-Corruption

TDCC places significant importance on maintaining integrity and preventing corruption. To uphold ethical standards among its employees, TDCC has implemented the Code of Conduct for Employees of Taiwan Depository & Clearing Corporation. This code provides guidelines for employees regarding the proper handling of gifts, invitations, and entertainment, as well as addressing conflicts of interest. Additionally, it emphasizes the prevention of solicitation and lobbying activities. The primary objective of this code is to promote fairness, impartiality, and ethical behavior in the performance of employees' duties at TDCC. All employees at TDCC are fully committed to strictly adhering to the Company's self-disciplinary regulations and actively engaging in educational training programs. This proactive approach contributes to the development of a highly ethical and self-disciplined business environment.

TDCC has created the Guidelines for Dealing with Whistleblower Cases and implemented a whistleblowing system to encourage employees to report criminal activities, fraud, or violations of laws and regulations. An independent internal audit department has been designated to handle the acceptance and investigation of these cases, ensuring impartiality. Furthermore, the whistleblowing system has been integrated into TDCC's internal control system to improve the Company's overall management. Based on the implementation of the Code of Conduct for Employees and the Guidelines for Handling Whistleblowing Cases, there were no reported cases of corruption detected in 2023.

FundRich

FundRich has implemented the Code of Ethics for Internal Personnel to ensure the fair treatment of clients, suppliers, competitors, and employees by its directors, supervisors, managers, and all staff members. This code strictly prohibits the acquisition of any form of undue benefits through the misuse of their positions, emphasizing the core values of integrity and the fight against corruption. Furthermore, FundRich actively encourages both internal and external individuals to report any instances of illegal, unethical, or dishonest behavior through its whistleblowing system. A dedicated unit, vested with the authority to maintain independence, is responsible for receiving and investigating all reports made by whistleblowers. Moreover, the whistleblowing system is seamlessly integrated into the internal control system, aiming to ensure and promote the implementation of sound business practices. Based on the implementation of the Code of Ethics for Internal Personnel and the whistleblowing system, no cases of corruption were identified in 2023.

Diversity, Equality, and Human Rights

TDCC places a high value on cultivating a diverse and inclusive internal environment. Moreover, TDCC is committed to upholding international human rights conventions, such as the Universal Declaration of Human Rights and the United Nations Global Compact. Additionally, the Company ensures compliance with local labor laws and regulations, including the Labor Standards Act and the Gender Equality in Employment Act. These endeavors aim to establish effective management practices and procedures that prevent any infringement or violation of human rights. The Human Rights Commitment and Policy has been formally announced and approved under the directive and approval of the CEO. (Please refer to the official website for more detailed information on the policy.) This policy is designed to create a safe working environment and promote a positive workplace culture.

Management Principles	Human Rights Management Measures
<p>Through the development of various internal management methods and the implementation of internal audits, TDCC has established the following management principles:</p> <ul style="list-style-type: none"> • Compliance with all national labor laws • Prohibition of forced labor • Work and rest hours • Non-discrimination and harassment • Freedom of association • Implementation of equal respect • Equal pay for equal work • Maternity protection 	<p>Employee human rights issues and management measures:</p> <ul style="list-style-type: none"> • Establishment of a secure and confidential complaint process and protection mechanisms • Providing channels for smooth problem reporting • Employee safety protection mechanisms, such as security personnel and access control • Promotion and education of company equal rights and workplace safety policies • Implementation of employee assistance programs • Reasonable manpower allocation and workload distribution • Promotion and disclosure of labor laws • Strict compliance with labor laws and attendance management • Leadership and management training for supervisors

Compliance

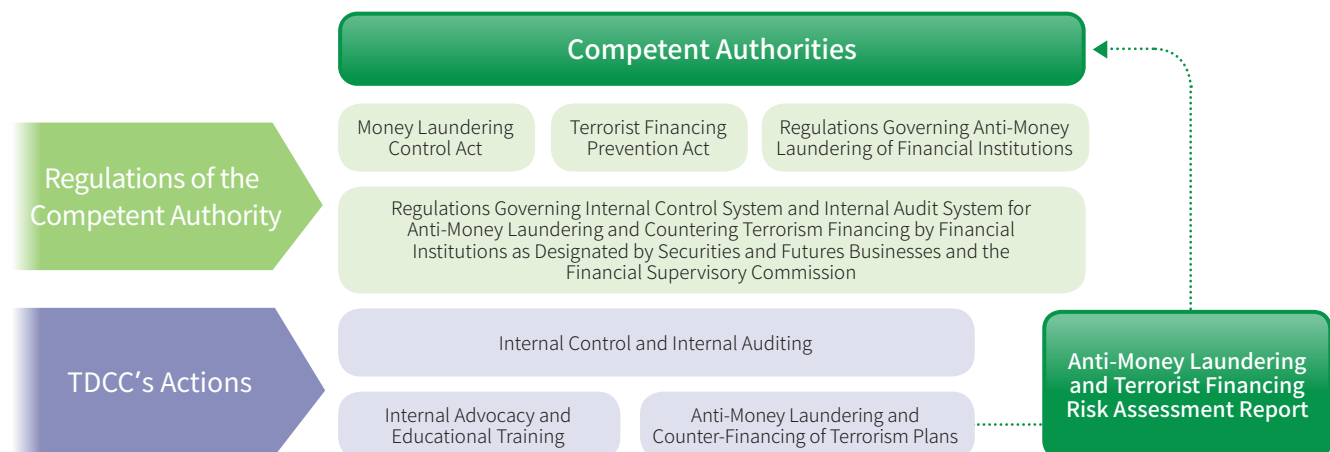
TDCC

TDCC is subject to strict supervision by the competent authority. As a financial institution, it is required to implement measures to combat money laundering in accordance with Article 5, Paragraph 1, Item 15 of the Anti-Money Laundering Act. Therefore, TDCC is obligated to comply with the Anti-Money Laundering Act, the Counter-Terrorism Financing Act, and other relevant regulations, including the Measures for Financial Institutions to Prevent Money Laundering. TDCC has been actively participating in regulatory authorities' relevant training courses and conferences. It has also been gradually revising its regulations and internal systems to incorporate regulatory requirements. In 2023, TDCC maintained a clean record as it did not receive any penalties from regulatory authorities for violating anti-money laundering and financial supervisory regulations. Furthermore, the Company ensured compliance with economic (product and marketing), social (labor and human rights), and environmental (environmental protection) laws, thereby avoiding any penalties imposed by regulatory authorities for violations in these areas.

TDCC adheres to the following three actions to ensure regulatory compliance:

- ◆ TDCC remains updated on the latest regulatory developments and facilitates timely communication by conducting daily checks for advance notices issued by regulatory authorities regarding the revision of relevant laws and regulations. The Company assesses the relevance of these changes to its business and follows the prescribed legal affairs handling procedures to ensure proper compliance.
- ◆ TDCC adjusts its internal regulations in response to changes in higher-level regulations, the introduction of new business lines, or operational adjustments as necessary. This proactive approach ensures that TDCC remains compliant with evolving regulatory requirements and effectively addresses any modifications in its business operations or structure.
- ◆ TDCC ensures compliance with regulations by conducting thorough reviews of new business ventures. These reviews are aimed at ensuring adherence to government norms while fostering diversified and innovative development.

As a crucial infrastructure institution in Taiwan's financial market, TDCC actively supports the government's efforts to maintain a robust financial market, implement corporate governance, and combat money laundering through various public platforms. The AML/CFT Inquiry System and the Corporate Officer and Major Shareholder Information Reporting Platform are examples of such platforms that contribute to fulfilling the government's international AML/CFT obligations. Furthermore, these platforms effectively enhance Taiwan's capabilities in these crucial areas. TDCC regularly reviews risk factors and evaluates its risk management measures. After these assessments, it updates its AML/CFT risk assessment reports and submits them to regulatory authorities for record-keeping. This meticulous process is designed to enhance the effectiveness of TDCC's operations in combating money laundering and the funding of terrorism.



Since 1995, TDCC has been actively providing guidance to securities firms and share registry units to facilitate their compliance with laws and implementation of internal controls. Additionally, TDCC collaborates with stock exchanges and the over-the-counter market to conduct audits of securities firms. Through two-way communication, TDCC enhances the legal awareness of frontline staff members and assists in preventing potential violations of the law. This collaborative approach ensures a strong commitment to regulatory compliance within the securities industry. Since 1998, TDCC has worked with regulatory authorities to provide guidance and assistance in developing internal control systems for share registry units of listed companies. Furthermore, TDCC has been authorized by regulatory authorities to conduct audits of share registries. While securities firms and share registry institutions already adhere to existing standards, TDCC proactively promotes and organizes annual seminars and educational training sessions. These initiatives aim to reinforce the legal awareness of all stakeholders, including TDCC's employees. By doing so, TDCC actively contributes to establishing a robust framework for regulatory compliance, further enhancing the industry's adherence to regulations and ensuring the continuous improvement of compliance practices among all involved parties.

Enhancing Company Information Transparency

As a privately held company, current regulations do not permit live streaming; however, a continuous, uninterrupted recording of the shareholders' meeting is uploaded to the official website after the event. We also provide related materials for the shareholders' meeting (including, but not limited to, the most recent annual report, meeting notice, agenda manual, proceedings, and meeting recording), and disclose the company's annual financial statements and semi-annual reports.

FundRich

To ensure full compliance with regulations, FundRich prioritizes strengthening internal compliance by promoting and conducting educational training programs that focus on rules and codes of conduct. FundRich is classified as a financial institution that must implement anti-money laundering measures according to Article 5, Paragraph 1 of the Anti-Money Laundering Act. Therefore, it is obligated to comply with the Anti-Money Laundering Act, Counter-Terrorism Financing Act, Measures for Financial Institutions to Prevent Money Laundering, and other relevant regulations. Furthermore, the Company follows the implementation measures for internal controls and audits related to anti-money laundering and counter-terrorism financing as specified by the Financial Supervisory Commission, which are applicable to TDCC, the securities and futures industry, and other designated financial institutions. FundRich employees actively participate in educational training courses and promotional meetings organized by regulatory authorities and industry associations. By gradually implementing regulatory requirements, including revising regulations and internal systems, the Company successfully maintained a clean record in 2023. It did not receive any penalties from regulatory authorities for violations of anti-money laundering, financial supervisory regulations, economic (anti-corruption, anti-money laundering), social (labor, human rights, marketing, and labeling), and environmental (environmental protection) laws.

3.2 Risk Management

Actions Taken by TDCC

TDCC has established a comprehensive risk management organizational structure. The Company oversees the efficient functioning of our risk management system and mechanism through the governance of the Board of Directors. Additionally, we have set up a Risk Control Committee under the Board of Directors to monitor risk management matters. We have also implemented the Taiwan Personal Information Protection and Administration System (TPIPAS) to control the risks associated with personal data. Furthermore, we have adopted an information security management system, a quality management system, and an internal control and audit system to ensure the security of our business operations.

Risk Control Committee

To ensure effective management of risks associated with clearance and delivery operations, the Risk Control Committee holds regular meetings every six months. Furthermore, the Committee may convene additional meetings as necessary to address any emerging risks or urgent matters requiring immediate attention. The Committee oversees and regulates various issues, including risk management reviews of TDCC's depository, clearance, and delivery business processes, computer system operation procedures, and operational processes between participants. Additionally, it reviews the standards and self-assessment reporting mechanisms for risk management of participants.

Business Continuity Plan (BCP)

Since 1997, TDCC has developed an Abnormal Situation Handling Manual to manage unexpected situations effectively. Moreover, the Company carries out drills based on different abnormal scenarios. In 1999, TDCC formulated its Business Continuity Plan (BCP) in accordance with guidelines provided by the Research, Development and Evaluation Commission of the Executive Yuan. The BCP aligns with the Information Security Management Regulations for the Executive Yuan and its Subordinate Agencies, and aims to ensure operational continuity in the event of disruptions. The plan establishes strategies and procedures for effective response and recovery, and designates a dedicated Business Continuity Management Team responsible for coordinating and allocating necessary resources. It clearly defines tasks and responsibilities related to pre-disaster preparedness, response measures during incidents, and post-incident recovery operations, enabling TDCC to effectively manage and mitigate potential disruptions.

TDCC conducts annual Business Continuity Plan (BCP) drills to ensure uninterrupted business and information operations, following various abnormal scenarios outlined in the Abnormal Situation Handling Manual. These scenarios include natural disasters, human-made incidents, and infectious diseases. The drills assess the preparedness of backup equipment, facilities, and systems, ensuring the smooth operation of core business functions without interruption. Furthermore, TDCC emphasizes enhancing the proficiency of key personnel and their substitutes in managing abnormal situations effectively.

National Critical Infrastructure Security Protection Plan

TDCC plays a crucial role as a provider of national critical infrastructure and is classified as a level-two entity within the securities sub-sector of the financial industry. TDCC conducts risk assessments that cover a broad spectrum of potential threats, such as natural disasters, man-made disasters, cybersecurity incidents, and critical resource disruptions. To ensure the continuous and normal operation of vital business functions related to securities and financial payments, the Company has established the National Critical Infrastructure Security Protection Plan, which includes reporting mechanisms, alert mechanisms, and professional support agreements. These measures aim to enhance the resilience and protection of TDCC's operations, safeguarding the integrity and stability of the securities and financial payment systems.

Quality Management System

The Company acknowledges the importance of providing outstanding customer service and continuously strives to improve internal operational efficiency to deliver the best possible experience to our customers. To achieve this goal, we have established a comprehensive Quality Management System that integrates its principles into our internal processes and day-to-day operations. This approach enables us to standardize various operations, ensuring a consistent level of quality throughout our organization. Through the iterative PDCA (Plan-Do-Check-Act) cycle, we continuously strive for improvement and operational excellence, demonstrating our unwavering commitment to prioritizing quality in all aspects of our business.

Internal Control and Audit System

TDCC adheres strictly to the Guidelines for Establishing Internal Control Systems for Securities and Futures Market Service Providers issued by the regulatory authority. The Company has established its own internal control system, which has received approval from the Board of Directors. The primary objective of this system is to promote sound management practices within TDCC. It aims to provide reasonable assurance of operational effectiveness and efficiency, reliable and timely reporting, transparency, compliance with relevant regulations, and the achievement of compliance objectives as outlined by applicable laws and regulations. By adhering to these guidelines, TDCC maintains a robust internal control framework that ensures the integrity and reliability of its operations.

TDCC has established an Internal Audit Department that reports directly to the Board of Directors. This department is responsible for auditing various departments' operations within TDCC to investigate and evaluate the effectiveness of the internal control system. By doing so, it assists the Board of Directors and management. The Internal Audit Department also provides timely recommendations for improvement to ensure the continuous and effective implementation of the internal control system. Through these efforts, TDCC maintains a strong internal audit function that enhances the Company's overall governance and risk management practices.

In 2023, TDCC's Internal Audit Department conducted 354 internal audits across various units within the organization. The audit findings consistently aligned with the relevant specifications outlined in TDCC's internal control system. Notably, there were no instances of non-compliance identified during these audits. Any operational issues discovered during the audits were immediately rectified by the responsible departments, without impacting the achievement of the company's operational goals.

Information Security Protection at TDCC

TDCC recognizes the importance of information security and employs advanced information and communication security technologies to implement and execute a comprehensive information security management system. This system addresses the expectations and requirements of the public and regulatory authorities regarding information security, serving as a critical foundation for the Company's internal operations and business activities. It ensures the confidentiality, integrity, and availability of information while mitigating potential risks and maintaining a secure environment for TDCC's operations. In 2023, operations to optimize the Security Operations Center (SOC) were conducted, including the transformation from old to new generation systems, the update of monitoring rules, and the adoption of international frameworks.

TDCC's Implementation of Three Major Focus Points in Information Security Protection



Collect various information security events every day, and transfer the information security event data to the monitoring software of the security monitoring center (SOC) system



After immediately monitoring various incidents and correlation analysis, make analytical statement and give an alarm and make notification



Collect various safety incidents each day and transfer the safety incident information to the monitoring software of the SOC system

Execution of Information Security Protection Measures

Business Continuity Management System

To ensure uninterrupted operation of critical businesses in the securities, futures, and ticket markets, as well as to activate prompt recovery mechanisms in the face of disruptions, TDCC has taken proactive measures. These measures focus on ensuring the normal and continuous functioning of essential business functions and enhancing crisis management mechanisms for employees. As a testament to its commitment to business continuity, TDCC obtained the prestigious ISO 22301:2019 Business Continuity Management System international standard certification from the British Standards Institution (BSI) on December 1, 2020. This certification provides the highest level of assurance for the smooth operation of Taiwan's securities, futures, and ticket markets, ensuring a resilient and secure environment for market participants.

In October 2023, TDCC underwent its annual review of the ISO 22301:2019 Business Continuity Management System, conducted by BSI. The audit results confirmed the ongoing effectiveness of TDCC's certified system, as no instances of non-compliance were identified during the review. This outcome underscores TDCC's commitment to maintaining a robust and resilient business continuity framework, ensuring the continuity of critical operations, and minimizing the impact of potential disruptions.

Routine Security Testing Operations

Every year, TDCC conducts security testing operations to assess the robustness of its systems. In 2023, several security testing items were completed, including security diagnosis, penetration testing, system vulnerability scanning, web vulnerability scanning, source code inspection, and basic security testing for mobile applications APP. All six testing items were successfully conducted as part of TDCC's comprehensive security testing operation. For any identified moderate or high-risk issues that remain unresolved, they will continue to be monitored and tracked for improvement.

In compliance with security regulations and the requirements of the Financial Supervisory Commission, banks are obligated to enhance the security measures for the SWIFT system every six months. To assess the security measures, SWIFT information security management audits are conducted. The Company is pleased to report that any issues identified during these audits have been duly addressed and resolved. Every year, TDCC hires professional vendors to assess its SWIFT system in accordance with the SWIFT Customer Security Controls Framework (CSCF) published by SWIFT. The purpose of these assessments is to evaluate the security measures implemented within the SWIFT system. The results of the assessments have consistently shown no non-compliance issues, confirming TDCC's adherence to the security controls specified by SWIFT.

Behavior Monitoring through Session Recording Software

TDCC utilizes session recording software for visually-oriented business application systems, allowing for real-time monitoring and recording of operators' actions. This practice enables the timely detection of abnormal activities and provides alerts as necessary. The implementation of session recording software ensures TDCC's compliance with requirements for user activity logs, audit trails, and evidence retention.

ISO 27001 Information Security Management System

TDCC is committed to upholding the confidentiality, integrity, and availability of its information systems while delivering secure, efficient, and stable information services to the securities and futures market. Over the years, TDCC has demonstrated its dedication to implementing, enhancing, and improving the effectiveness of its information security mechanisms. By continuously investing in the development and implementation of robust security measures, TDCC ensures the protection of sensitive information, minimizes potential risks, and maintains the reliability and stability of its information services. In 2004, the Company achieved a significant milestone by obtaining the BS 7799 Information Security Management System certification, making it the 26th organization in the country to achieve this recognition at that time. In 2006, TDCC promptly obtained certification in response to the release of the ISO 27001:2005 Information Security Management Standard, which was based on the previous BS 7799 standard. This certification affirmed TDCC's adherence to international best practices in information security management. Additionally, TDCC demonstrated its commitment to continuously maintaining the validity and effectiveness of its information security management practices by achieving the ISO 27001:2013 certification in 2014.

In October 2023, the certification organization BSI conducted its annual review of TDCC's ISO 27001:2013 Information Security Management System. The audit covered the entire Company and thoroughly assessed its compliance with established standards. No instances of non-compliance were found during the audit, affirming the ongoing effectiveness of TDCC's certification. The successful implementation of the information security management policy throughout the Company further demonstrates TDCC's commitment to maintaining a robust and secure information security environment.

Conducting Security Drills

TDCC has implemented procedures, such as incident reporting and emergency response manuals, to provide guidance to employees in the event of security-related incidents. In order to ensure that employees can respond effectively and within the required timeframes, TDCC conducts annual drill exercises and tests, including the following:

1. Information System Off-site Backup Testing: Testing the effectiveness of off-site backup systems for information systems.
2. Critical Infrastructure Security Protection Plan Drills: Conducting drills to test the security protection plans for critical infrastructure.
3. Email Social Engineering Exercises: Conducting social engineering exercises throughout the year to enhance awareness and response to email-based social engineering attacks.
4. Distributed Denial of Service (DDoS) Attack Drills: Conducting drills to simulate and respond to DDoS attacks.
5. System Security Incident Drills and Incident Reporting Drills: Conducting drills to simulate system security incidents and practice incident reporting procedures. These drills are conducted in coordination with the Financial Supervisory Commission.

Employee Information Security Training

- TDCC uses the Company's EIP platform to distribute and exchange information security news and knowledge, with the goal of improving employees' comprehension of information security and protective measures.
- Throughout the year, TDCC conducts various activities, including social engineering drills, information security education training, and awareness campaigns. These initiatives aim to enhance employees' awareness and understanding of security risks, such as phishing attacks or social engineering attempts. TDCC conducts social engineering drills by randomly sending test emails to its employees. These drills are designed to assess the employees' response to social engineering techniques and evaluate their awareness of potential security risks. We are pleased to report that the results of these drills have consistently met the objectives set by the Financial Supervisory Commission.
- TDCC strictly adheres to the Information Security Responsibility Level Classification Measures and the Guidelines for Establishing Internal Control Systems for Securities and Futures Market Service Providers. As part of these compliance efforts, each TDCC employee is required to undergo a minimum of 3 hours of general information security education training. Furthermore, TDCC ensures that its information security personnel receive a minimum of 15 hours of professional information security course training. All colleagues are to participate in the general information and communication security education and training.

Actions Taken by FundRich

FundRich will submit its annual audit plans, execution status of audit plans, and other related documents to TDCC via official correspondence. In compliance with regulations, TDCC will conduct at least one audit per year on FundRich. Internally, FundRich carries out regular audits and submits reports to the respective supervisors for review. These reports are subsequently presented to the Board of Directors, showcasing the completion of self-assessment exercises for various departments and their internal controls.

In October 2023, TDCC conducted the Anti-Money Laundering and Combatting the Financing of Terrorism Awareness Training to enhance employees' knowledge in these areas. The training was attended by all employees, including directors and supervisors. Furthermore, as part of our risk management process, we annually review risk factors and assess risk control measures. Based on these evaluations, we periodically update our risk assessment reports to improve the effectiveness of our AML/CFT operations. Additionally, FundRich conducts training programs focused on personal data protection awareness, fair customer treatment principles, and the whistleblower system. These educational training courses are designed to equip employees with the necessary knowledge and skills to provide more professional services to the public.

FundRich Information Security Protection

Execution of Information Security Protection Measures

Regular External Data Center Audits

TDCC manages the hardware equipment of the fund platform system, ensuring its security and operational integrity through various services such as physical security, power support, server access control, network architecture, network security equipment, and network equipment/server monitoring and notification. These services comply with the ISO 27001 international information security standard. TDCC undergoes an annual external audit verification to ensure compliance and operational effectiveness. In 2023, the audit found no deficiencies or recommended improvements.

Regular Business Continuity Plan Drills

To ensure prompt and effective response to unforeseen circumstances and minimize their impact on customers, TDCC conducts a business continuity plan (BCP) drill every six months. The objective of this drill is to test the effectiveness of the plan and ensure TDCC's preparedness to handle any uncontrollable factors that may arise in the operational environment. Regular drills enhance TDCC's readiness and ability to maintain uninterrupted services, demonstrating its commitment to providing customers with a reliable and resilient experience.

Website Vulnerability Scanning

Every six months, TDCC conducts a website vulnerability scan with the assistance of an external cybersecurity company to proactively identify any potential vulnerabilities that may pose security threats. If any vulnerabilities are detected, prompt action is taken to address and mitigate them effectively. By conducting regular vulnerability scans and promptly addressing any identified vulnerabilities, TDCC ensures the security of its operational environment.

Penetration Testing

Annually, TDCC collaborates with an external cybersecurity company to conduct penetration testing and assess the security of its operational environment. If vulnerabilities with potential risks are discovered, the Company takes immediate action to address and rectify them promptly, ensuring the strength and security of its operational environment.

Mobile Application Basic Information Security Inspection Criteria

In August 2023, our company officially released the FundRich mobile application (APP) on the App Store and Google Play. It has passed the Mobile Application Security Alliance's qualified experimental execution for Level 3 (L3) testing, obtaining a qualification certificate and mark.

Employee Information Security Training

- To evaluate colleagues' responses to potential social engineering attacks, the Company conducts periodic social engineering drills. These drills involve sending random test emails to assess how employees react and handle such situations. The results of these drills consistently meet the objectives set by the Financial Supervisory Commission.
- Biannually, we conduct information security education and training on the latest techniques in social engineering and IoT (Internet of Things) device security. Additionally, we sporadically share information security awareness cases with colleagues through email distributions to enhance their awareness of information security.

3.3

Climate Governance

TCFD Climate Change Risk Framework Disclosure

With the global average temperature continuing to rise and natural disasters becoming more frequent in recent years, identifying climate change risks promptly is urgent. In light of the increasingly severe climate change and environmental impacts, which will affect all aspects of the company's operations, TDCC's Sustainability Development Committee has promoted the Task Force on Climate-related Financial Disclosures (TCFD) recommendations for a climate-related financial information disclosure framework. A TCFD working group has been established (under the "Environmental Sustainability Group" of the Sustainability Committee) to disclose climate-related information across four key areas: governance, strategy, risk management, and metrics and targets. This involves a comprehensive qualitative and quantitative assessment of risks, followed by the determination of response measures and management methods to achieve sustainable management.

Climate Governance

TDCC acknowledges climate change risks as a significant concern and ensures their effective management within the organization. The Board of Directors, as the highest supervisory unit for risk management, oversees these risks and other key responsibilities. To address climate change risks and opportunities, TDCC has established the Sustainable Development Committee and the Risk Management Committee. These committees play crucial roles in identifying, assessing, and managing climate-related risks and opportunities within TDCC's operations.

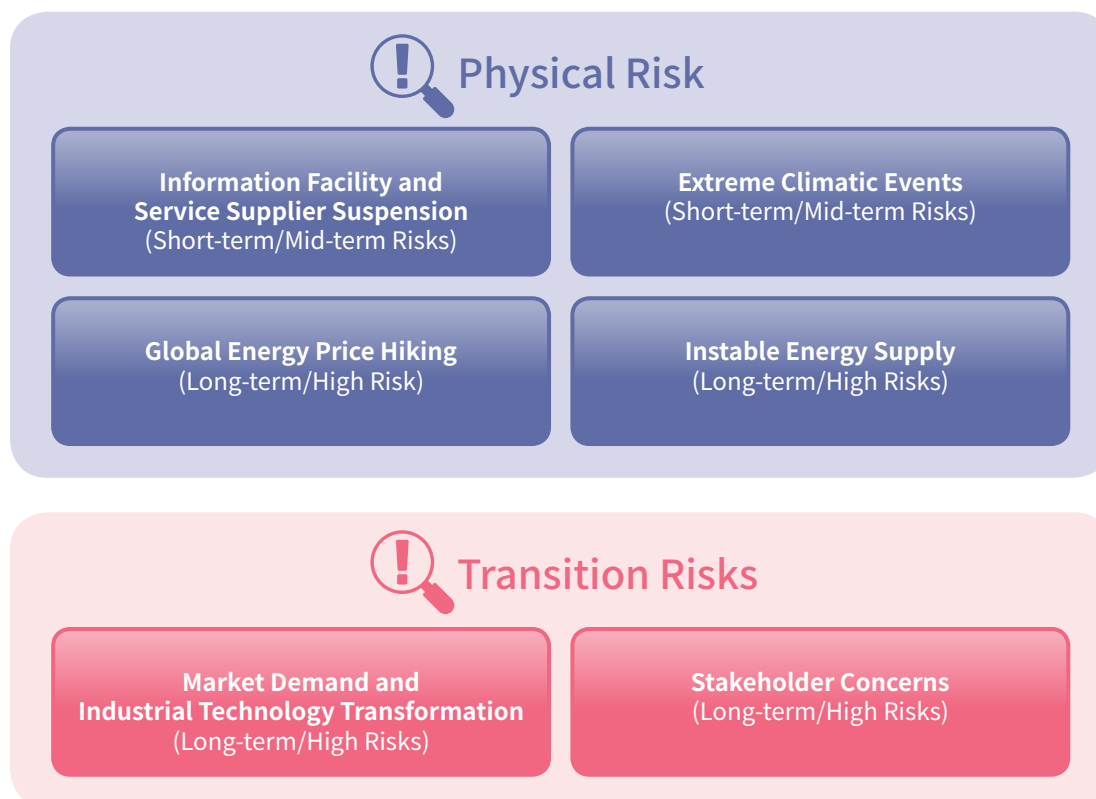
TDCC has established a Sustainability Committee, chaired by the Chairman, with all members being directors and supervisors from the Board of Directors. This committee is responsible for approving the company's sustainable development policies, systems, or related management guidelines, and specific action plans, including climate governance issues. It meets at least twice a year and reports to the Board of Directors. Through six working groups led by department heads—covering corporate governance, innovative finance, responsible finance, environmental sustainability, social involvement, and employee care—the Sustainability Committee tracks climate change risks and opportunities and implements various ESG actions and executions.

The Company is continuously strengthening its climate management mechanisms. To ensure effective coordination and implementation of climate-related financial disclosure projects, the Risk Management Committee has been established under the supervision of the Board of Directors. This committee oversees and coordinates the various initiatives related to climate governance within the organization. Regular progress reports are provided to the Board of Directors, allowing for a comprehensive review of the Company's operational status and the assessment of the effectiveness of its climate governance efforts. Through these measures, the Company is committed to enhancing the role and responsibility of TDCC in addressing climate-related risks and contributing to a sustainable future.

Climate Change Strategy

In light of existing and potential climate-related risks, TDCC conducts a thorough assessment of their impact on the Company's operations, strategies, and financial planning. This assessment covers both physical and transitional risks and opportunities arising from climate change. Through this comprehensive evaluation, TDCC gains insights into potential risks, identifies opportunities for sustainable business practices, and develops effective strategies to address climate-related challenges. To proactively manage high-risk areas related to climate change, TDCC has established dedicated departments responsible for overseeing and addressing these risks. TDCC conducts in-depth evaluations to assess the impacts and implications of climate-related risks, identifying the linkages between these risks and stakeholders and communicating such with said stakeholders. Furthermore, TDCC actively seeks potential opportunities associated with climate issues, demonstrating its awareness and adaptability to emerging business prospects. Early preventive measures and management policies are implemented to mitigate identified risks effectively. Looking ahead, TDCC plans to enhance and refine its climate change strategy by incorporating scenario analysis, allowing for a more comprehensive assessment of future climate-related challenges and opportunities.

After conducting senior management interviews and analyzing questionnaires, TDCC has identified 10 climate risk issues that are of importance. Out of these, six risks are considered significant, as they relate to both physical impacts and transitional changes. These risks will be further assessed and managed through strategic measures.



Strategy Assessment and Management Explanation for Physical and Transition Risks

Physical Risk	
Disruption of Information Technology Equipment and Service Providers	
Risk Impact Description	Climate change not only causes direct catastrophic impacts but also incurs hidden economic costs. These costs affect the operations of TDCC, as suppliers face resource shortages and higher input costs for materials, equipment, and infrastructure that are more susceptible to accelerated damage. This can result in operational disruptions or delays.
Potential Financial Impact	Increased operational costs
Stakeholders	TDCC, Employees, Suppliers/Contractors
Opportunity	Enhancing the resilience of company operations
Climate Change Strategy	<p>Preventive Measures</p> <ol style="list-style-type: none"> 1. Plan alternative suppliers or increase information equipment storage capacity 2. Collaborate with neighboring units to share some suppliers or information equipment <p>Management Approach</p> <ol style="list-style-type: none"> 1. Abnormal Situation Handling Manual (IT Section) 2. Maintain close cooperation with neighboring units to share information

Extreme Weather Events

Risk Impact Description	The increased frequency of extreme weather events, including floods, abnormal cyclones, and heat waves, poses significant challenges to personnel, transportation, and hardware facilities.
Potential Financial Impact	<p>Operational disruptions</p> <ol style="list-style-type: none"> 1. Floods and typhoons present significant challenges, such as transportation blockages that may cause power outages and hinder the use of self-generated power. These disruptions can impede personnel's ability to work effectively and cause damage to machinery and equipment. The inability to commute to work and the loss of power supply can result in operational disruptions, which may affect the productivity and functionality of TDCC's operations. 2. Heat waves can result in power shortages and an elevated risk of fires. In office settings, high temperatures can harm equipment, especially UPS batteries, which may overheat and cause smoke or fire. These incidents can damage data center equipment, resulting in business interruptions and disruptions to TDCC's operations. <p>Asset repairs/devaluation</p> <ol style="list-style-type: none"> 1. Increased costs for maintenance or new equipment 2. Potential changes in asset value
Stakeholders	TDCC, Customers/Participants
Opportunity	TDCC has adopted the ISO 22301 Business Continuity Management System to bolster its ability to withstand and respond to potential disasters. This system enables TDCC to efficiently handle and address disruptive incidents, guaranteeing the prompt recovery and continuity of its business operations.
Climate Change Strategy	<p>Preventive Measures</p> <ol style="list-style-type: none"> 1. Prepare lighting equipment, communication devices, necessary accessories, batteries, tool kits, and essential supplies in advance. 2. Conduct tabletop exercises regarding natural disasters. 3. Install firefighting equipment and conduct regular inspections. 4. Develop incident response and notification mechanisms in advance. 5. Conduct fire evacuation drills. <p>Management Approach</p> <ol style="list-style-type: none"> 1. Abnormal Situation Handling Manual (General Section, IT Section) 2. Information Security Incident Reporting and Response Procedures

Rising global energy costs

Risk Impact Description	In response to the environmental trend of energy conservation and waste reduction, related electricity costs increase, adding to equipment or operational costs.
Potential Financial Impact	Increased operational costs.
Stakeholder	TDCC, Employees
Opportunity	By proactively anticipating and taking appropriate measures, TDCC can enhance customer trust and shape a positive corporate image.
Climate Change Strategy	Seeking affordable alternative energy sources and implementing energy efficiency measures.

Unstable energy supply

Risk Impact Description	As a crucial pillar supporting the normal operation of Taiwan's financial market, TDCC recognizes the potential risks associated with electricity shortages. Such shortages could lead to disruptions in related business services, which may result in an inability to recover within the minimum acceptable downtime.
Potential Financial Impact	Power outages or load shedding can pose a risk to information equipment, potentially resulting in loss or damage. While the procurement and maintenance of such equipment may incur additional costs.
Stakeholder	TDCC, Employees, Customers/Participants
Opportunity	Enhancing the resilience of company operations
Climate Change Strategy	<p>Preventive Measures</p> <ol style="list-style-type: none"> 1. Take out comprehensive insurance on electronic equipment. 2. Assign personnel or engage vendors to conduct regular inspections of various equipment. 3. Assign personnel to continuously monitor system status. 4. Develop incident response and notification mechanisms in advance. <p>Management Approach</p> <ol style="list-style-type: none"> 1. Abnormal Situation Handling Manual (General Section/Information Section) 2. Information Security Incident Reporting and Response Procedures

Transition Risks

Market demand and industry technological transformation

Risk Impact Description	In response to the growing demand for innovative global financial products and diversified automated information transmission services, it is essential to promptly comply with government policies and address the market's needs for low-carbon products and services.
Potential Financial Impact	Rising operational costs and expenses.
Stakeholder	Regulatory Authorities, TDCC, Customers/Participants
Opportunity	Breaking down the barriers between front and back offices and positioning TDCC as a market hub.
Climate Change Strategy	To remain ahead of global financial and regulatory trends, domestic policies, and market dynamics, it is crucial for TDCC to stay well-informed. By actively monitoring and analyzing these factors, TDCC can gain valuable insights to inform its strategic planning. This information serves as a foundation for identifying opportunities in new business areas and developing low-carbon products and services.

Focus on stakeholder concerns

Risk Impact Description	Given the global trend toward net-zero emissions and the influence of government policies and regulations, stakeholders are expressing concerns regarding TDCC's dedication to sustainable development and its role in effectively implementing new regulations.
Potential Financial Impact	Increased operational costs and expenses.
Stakeholders	TDCC, Regulatory Authorities, Shareholders/Investors, Customers/Participants
Opportunity	Diversify business development opportunities.
Climate Change Strategy	<ol style="list-style-type: none"> 1. Enhance ESG performance: Implement scenario analysis. 2. Align with policy developments: Assist listed companies in establishing comprehensive sustainability competitiveness.

Climate Risk Management

TDCC employs a systematic assessment process to examine and evaluate climate risks. Through qualitative interviews and quantitative analysis, TDCC enhances its climate risk management mechanisms. The Company integrates climate risks into its overall risk policy and incorporates them into its risk management framework.

TCFD Climate Change Risk Assessment Procedure of TDCC



Distinguish

Interviewing Highlevel Executives

By interviewing mid and high-level executives of various corporations, TDCC has initially collected and distinguished its potential climate risks and opportunities with qualitative method. It then examines the effects of these climate risks on itself.



Evaluate

Giving Out and Retrieving

TCFD Questionnaires Through qualitative climate risk questionnaire, it has evaluated and distinguished the 6 major key climate risk factors of TDCC.



Analyze

Climate Risks Analysis and Assessment

With external scenario analysis tools and according to the 3 factors of fragility, level of impact, and likelihood, TDCC analyzed questionnaire results and sort them into the TDCC TCFD Climate Risk Matrix.



Management

Climate Risks Opportunities

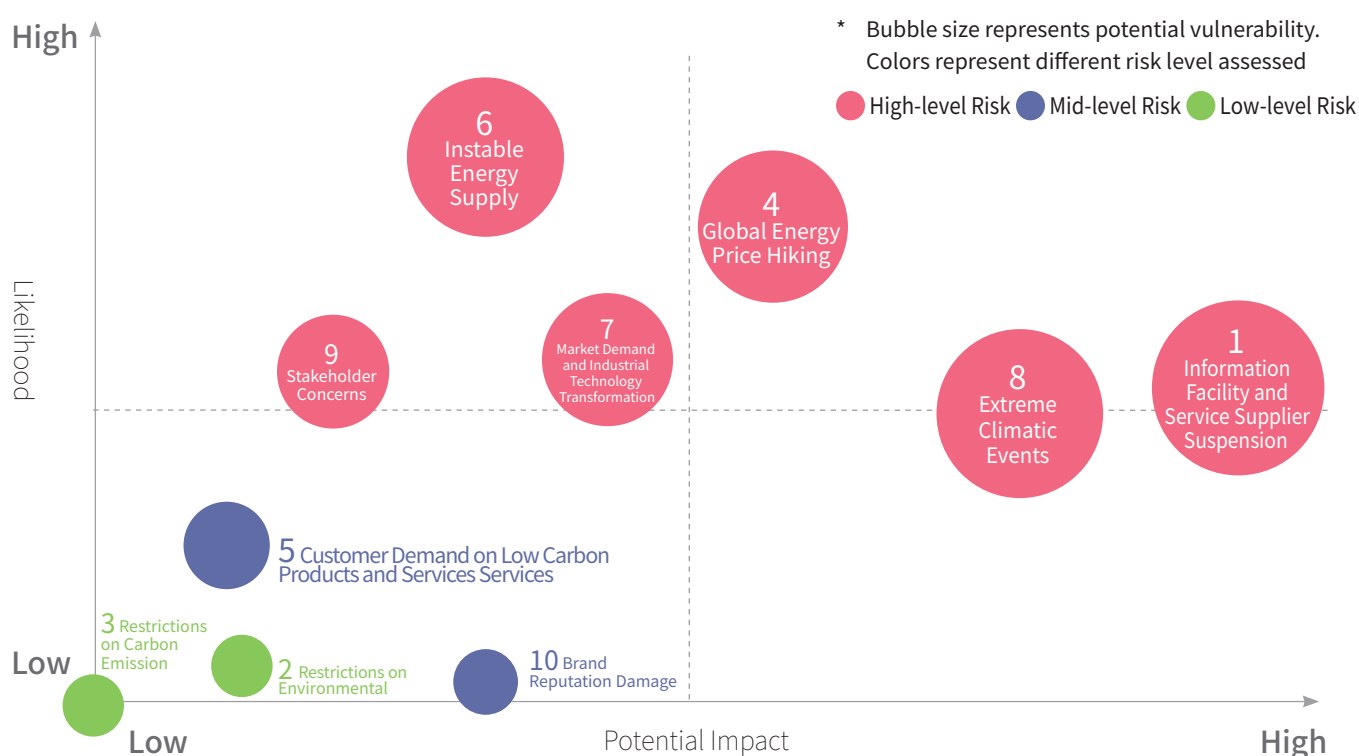
Responding Strategies and Management The disclosure of climate risk distinguishing results helps stakeholders to understand the possible influence and significance of various climate change factors on TDCC and proposes responding strategic guidelines and management methods targeting different risks.

Integration of Qualitative Interviews and Quantitative Analysis in Management Mechanisms

TDCC works with external consultants to gain insights and benchmarking case studies, which help the Company understand the framework and requirements set by the Task Force on Climate-related Financial Disclosures (TCFD). This process strengthens the Company's financial disclosure regarding climate risks. Through qualitative interviews conducted across various departments, the Company conducts a comprehensive inventory of risks and opportunities. Quantitative surveys are employed to analyze the impacts of both physical and transition risks, delving deeply into the data necessary for complying with the TCFD framework. By consolidating the current state of affairs and improvement directions within the Company, key climate risk factors are identified, thereby enhancing the management process for addressing risks associated with climate change.

TDCC Climate Change Risk Matrix

TDCC conducted a quantitative survey analysis in 2023, using the methodology established in 2021, to identify and rank significant climate risk factors. The vulnerability, impact, and likelihood of 10 climate risk factors were calculated to assess their risk levels. Based on this quantified analysis, a risk matrix was constructed, revealing 6 high-risk factors, 2 moderate-risk factors, and 2 low-risk factors. The high-risk category includes 4 physical risks and 2 transition risks.



Risk Level	Climate Risk Genre	Climate Risk Item
High-level Risk Factor	Physical Risk	Information Facility and Service Supplier Suspension
		Extreme Climatic Events
		Global Energy Price Hiking
		Instable Energy Supply
	Transition Risks	Market Demand and Industrial Technology Transformation
Mid-level Risk Factor	Transition Risks	Stakeholder Concerns
		Brand Reputation Damage
Low-level Risk Factor	Transition Risks	Customer Demand on Low Carbon Products and Services
		Restrictions on Environmental Laws
		Restrictions on Carbon Emission

Integrated Risk Management Framework at TDCC

TDCC has developed an Abnormal Situation Handling Manual and conducts drills based on various abnormal scenarios. In the event of a disaster, prompt notification and relevant contingency measures are implemented to minimize damages and ensure the continuity of normal operations. To facilitate continuous operation, TDCC has formulated a comprehensive Business Continuity Plan (BCP) that outlines strategies for resilience. Additionally, a dedicated Business Continuity Management (BCM) team has been established. This team focuses on implementing pre-incident protection mechanisms, executing mid-incident response measures, and managing post-incident recovery operations. Responsibilities and roles are clearly defined, and information security protection is established through the ISO 22301 Business Continuity Policy to continually enhance disaster response capabilities and establish effective backup mechanisms. The objective is to minimize the likelihood of service interruptions and ensure that critical infrastructure businesses and associated application systems can recover to an acceptable service level within the committed recovery time objective. By following the PDCA cycle, which involves operational impact analysis, risk identification, development of business continuity strategies and plans, and the execution of drills, TDCC prudently integrates climate change risks into its management processes, thereby achieving sustainable BCM for its operations.

Metrics and Targets

TDCC establishes indicators and targets to monitor, evaluate, and manage significant risk issues on a yearly basis. Based on this, the Company sets future annual objectives to promote overall compliance, implement climate risk management, fulfill commitments to stakeholders, and minimize environmental impact.

Physical Risk

Disruption of Information Technology Equipment and Service Providers

2023 Achievement

In October, a Business Continuity Management (BCM) drill for critical infrastructure services was conducted, adopting response measures for different disaster scenarios. The results of the drill met the objectives for Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO) in terms of timing and specific milestones.

2024 Goal Setting

1. It is crucial to ensure that in the event of incidents causing service interruptions, critical infrastructure businesses and their related application systems are restored to the minimum acceptable service level within the maximum tolerable downtime.
2. It is vital to ensure that in the event of service interruptions caused by incidents affecting critical infrastructure businesses and their related application systems, timely notifications are provided to meet the expectations of regulatory authorities and within the specified timeframe.

Extreme Weather Events

2023 Achievement

TDCC's computer data center and Hongya satellite data center's infrastructure operations proceeded without any abnormalities in their electrical, mechanical, air conditioning, or network communication systems. The Company's business operations were able to deliver external services as usual.

2024 Goal Setting

1. It is crucial to ensure that in the event of incidents causing service interruptions, critical infrastructure businesses and their related application systems are restored to the minimum acceptable service level within the maximum tolerable downtime.
2. It is crucial to ensure that in the event of service interruptions caused by incidents affecting critical infrastructure businesses and their related application systems, timely notifications are provided to meet the expectations of regulatory authorities within the specified timeframe.
3. Our top priority is to ensure the safety of TDCC personnel and their readiness and ability to respond to disasters.

Rising Global Energy Costs and Unstable Energy Supply

2023 Achievement

1. Digital Service Carbon Reduction Benefits (see page of this report)
2. Obtained ISO 50001 Energy Management System Certification

2024 Goal Setting

Continuously promoting carbon reduction plans and offering digital services with carbon reduction benefits to the market.

Transition Risks

Market Demand and Industry Technological Transformation

2023 Achievement

1. Optimize the Fund Information Observatory, providing a centralized clearing platform for domestic funds.
2. Establish a comprehensive digital service ecosystem for stock affairs - Shareholder e-Services.
3. Upgrade the ESG IR (Investor Relations) platform.
4. Discuss and establish a multi-custody service platform and an accounting reporting system for securities brokers' multi-custody positions.
5. Plan to optimize the Information Security Monitoring Center by introducing international frameworks.

2024 Goal Setting

1. Discuss mechanisms for digital innovation services in the financial market.
2. Enhance information security defenses to ensure the safety of the trading network.
3. Explore related supporting measures to prepare for the future transition to a shortened settlement cycle (T+1).

Focus on Stakeholder Concerns

2023 Achievement

1. Transition the office building to green electricity and execute investments in related sustainable development bonds.
2. The greenhouse gas emissions from Scope 1 to Scope 3, as shown in the table on page of this report, demonstrate the effectiveness of the actions taken by our company to reduce greenhouse gas emissions.

2024 Goal Setting

- Scope 1, 2, and 3 Emissions:
1. Apply for a new greenhouse gas reduction methodology.
 2. Implement ISO 14068 for carbon neutrality.
 3. Aim for net-zero emissions in Scope 1 and 2 by 2030 (including the subsidiary FundRich), with 2022 as the baseline year:
 - a. Reduction of 191.3 tCO₂e by 2024 relative to the baseline year.
 - b. Reduction of 9.2% by 2024 relative to the baseline year.

Green Management and Sustainable Financial Services

- 4.1 Enhancing financial market infrastructure and assistance to market supervision
- 4.2 High-quality Customer Service
- 4.3 Marketing and Exchange at Home and Abroad
- 4.4 Environmental Protection and Green Operations

As a back-office service institution for the capital and currency markets, TDCC is committed to establishing a robust financial market infrastructure. This involves integrating operational systems and implementing automation measures to minimize data latency. Additionally, TDCC leverages virtual and digital technologies to reduce energy consumption and operational costs for participants and clients. In this era of information technology dominance, TDCC is dedicated to providing sustainable, innovative, and high-quality services that enhance Taiwan's financial market and investment environment. Our Company is a key player in supporting regulatory authorities in supervising the financial market through various system platforms. We are committed to ensuring strict compliance with laws and regulations, as well as the effective implementation of internal control systems by participants, securities firms, and stock service units. By upholding operational quality, we safeguard the rights and interests of investors and maintain the safe operation of the financial market.

TDCC remains committed to exploring emerging financial trends, including the field of big data. We plan to introduce integrated analysis tools that leverage funds, bills, and other significant sources of big data. These tools will facilitate tasks such as data cleansing, analysis, exploration, and report generation, ultimately establishing a robust big data information platform. By utilizing our internal resources and core capabilities, we aim to gain insights into investors' usage habits, needs, and market analysis. This understanding will enable us to offer personalized value-added services through intelligent channels, making transactions more flexible and fostering a data-driven ecosystem. Through expanding our presence in information services, we strive to enhance the development of the financial market and provide investors with a more convenient and pleasant experience.

2023 Annual Sustainability Achievements of the Taiwan Depository & Clearing Corporation Financial Services

E-Passbook App	<ul style="list-style-type: none"> ✓ The total number of accounts opened exceeded 4.46 million. ✓ Approximately 90% of investors choose to open securities accounts with Taiwan Depository & Clearing Corporation's e-PassBook service.
Stockvote Electronic Voting Platform for Shareholders' Meetings	<ul style="list-style-type: none"> ✓ A total of 2,092 companies listed on the OTC and emerging stock exchanges utilized the Stockvote platform. ✓ The total number of electronic votes for the shareholders' meeting was 13.13 million, with a total of 383.5 billion shares, an increase of 2.64 million votes from 2022. The electronic voting ratio was 60.51%, setting a new record for the total number of votes.
ESG IR Platform	<ul style="list-style-type: none"> ✓ The world's first comprehensive ESG information platform initiated by a depository institution. ✓ Guiding companies to enhance the quality of ESG disclosures in line with international standards. ✓ Guiding companies to strengthen the independence and diversity of their Board of Directors in order to attract foreign investment support. ✓ Incorporating 6 major ESG rating systems.
Cross-border Voting Straight-Through Processing (STP)	<ul style="list-style-type: none"> ✓ Collaboration with international voting institutions Boardridge and ISS. ✓ A total of 1,945 shareholder meetings held by listed, OTC, and emerging stock companies with foreign shareholdings were scheduled for STP (Straight Through Processing) operations. ✓ Completed the voting process for foreign clients of six major custodial institutions, accounting for a total of 113,066 foreign shareholder votes.
Short-term bills and notes issuance, registration, and depository	<ul style="list-style-type: none"> ✓ New Taiwan Dollar short-term bills registration/deposit amounted to approximately NT\$19.7834 trillion; the custody balance was about NT\$3.1593 trillion.

Application of blockchain technology to digital bond trading	<ul style="list-style-type: none"> ✓ Alleviate the manual workload for operators, enhancing the efficiency of settlement operations. ✓ Significantly enhance the security of digital bond and bill transactions. ✓ Electronic delivery of bill transaction documents reached 111,047 transactions, a continuous growth from 65,215 transactions in 2022. ✓ Electronic delivery of bond transactions amounted to 139,157, continuing to grow from 128,337 transactions in 2022.
Fundclear	<ul style="list-style-type: none"> ✓ Redesigned the "Fund Information Observatory" style, optimizing fund market information with a total of over 1.78 million page views. ✓ Added new sections on ESG funds, data and statistics, and investment education. ✓ Facilitates investors' quick search for content on topics of interest. ✓ One-stop search for all approved ESG funds, instantly capturing key information on ESG funds. ✓ Promotes fund investment education, working together with related associations and operators to implement inclusive finance.
Inquiries regarding data in TDCC depository	<ul style="list-style-type: none"> ✓ Received 144,209 inquiries from investors, an increase of over 19% in 2022. ✓ Cooperated with government agencies to handle 11,393,238 inquiries.

Achievements of the Taiwan Depository & Clearing Corporation in Assisting Market Supervision in 2023

Securities Monitoring Technology Platform	<ul style="list-style-type: none"> ✓ TDCC conducts monthly checks on declaration items to detect any abnormalities. This process helps save time for regulatory authorities who would otherwise have to manually review each item.
Fund Monitoring Information Inquiry Service	<ul style="list-style-type: none"> ✓ Added provision of information on investment trust funds' short-term securities holdings, domestic fund monthly data, and annual industry survey reports, enabling regulatory authorities to grasp the situation of investment trust funds' holdings and enhance the supervision efficiency of the fund market.
Overseas Securities Supervision Information System for the Insurance Industry	<ul style="list-style-type: none"> ✓ Produce analytical management information from authorities in an interactive manner to compile the status of the insurance industry's overseas investments and gain insight into potential exposure.
Overseas Structured Product Monitoring Information	<ul style="list-style-type: none"> ✓ Planned 6 major interactive supervision dashboards, providing real-time regulatory information by investor type.
Equity Supervision Platform	<ul style="list-style-type: none"> ✓ The evaluation was conducted for a total of 20 outsourced equity institutions, 72 self-managed equity companies, and 92 equity units.

Company Transparency Platform	<ul style="list-style-type: none"> ✓ A total of 717,139 companies completed declarations, an increase of 18,810 compared to 2022. ✓ A total of 3,873 financial and non-financial businesses or personnel completed registration. ✓ The accumulated query volume reached 71,645. ✓ A total of 245 reports of abnormalities were received. ✓ Optimized the identity verification method for platform reporting access, adding a health insurance card number verification mechanism. This provides nearly 700,000 reporting companies and their agents with diverse login identity verification methods, enhancing reporting efficiency and user experience, and implementing ESG environmental sustainability.
AML/CFT Screening Platform	<ul style="list-style-type: none"> ✓ The addition of API online query/batch upload matching operations provides more diverse system operation options for user units, aiming to improve customer due diligence efficiency. ✓ The API interface application process has been fully digitized, including certificate authentication applications, enhancing efficiency and promoting paperless implementation of ESG environmental sustainability.
Customer Due Diligence Management System	<ul style="list-style-type: none"> ✓ In 2023, a total of 874 customer reviews and risk assessments were conducted, implementing national anti-money laundering policies.
Internal Control and Cybersecurity Audits and Guidance for Securities Firms' Depository Operations.	<ul style="list-style-type: none"> ✓ A total of 53 audits of securities firms' depository operations were conducted as part of routine inspections by the Stock Exchange and Taipei Exchange.
Internal Control, Internal Auditing, and Entrusted Document Solicitation Audits for Equity Unit's Equity Operations	<ul style="list-style-type: none"> ✓ A total of 209 audits were conducted for the equity operations of the Company's equity unit, including 100 routine audits, 32 audits assigned by regulatory authorities and in response to investor complaints, and 77 audits during the entrusted document solicitation period.
Multilateral Communication and Explanatory Meetings in Accordance with Regulatory Policies	<ul style="list-style-type: none"> ✓ Organized discussions with 6 securities firms to collect relevant opinions and assist in the implementation of internal control systems. ✓ Assisted the stock exchange in conducting province-wide seminars on the revision and promotion of the 'Securities Broker Internal Control System Standard Regulations' and the 'Futures Broker Management of Securities Trading Assistance Business Internal Control System Standard Regulations,' totaling 13 sessions. ✓ Conducted 12 sessions of equity unit personnel education and training, with a total of 541 participants. ✓ Conducted 3 sessions of the "Explanation of Amendments to the Internal Control System Standards for Equity Units" via Webex video conference in response to the evolving pandemic situation. Additionally, the Company organized 5 seminars on "Explanation of Entrusted Document Rules and Practices," which was attended by 561 individuals. ✓ Conducted 10 functional tests for individuals and those handling entrusted affairs, with a total of 681 individuals passing the test.

4.1

Enhancing financial market infrastructure and assistance to market supervision

Financial Market Services Features and Value of TDCC

I. e-Passbook App

Visualize Asset Trends

Presented investors' distribution of securities, funds, and bank assets through various charts, and integrated with a big data database. Through the 'Asset Trend Chart' feature, investors can visually examine the trends in securities and fund assets over the longest span of a year. In 2023, added a feature to visually aggregate and display the total amount of dividends and the number of shares received by investors.

One-stop Exercise of Shareholder Rights

The TDCC e-Passbook App provides personalized stock information to investors. During the shareholder meeting period, it proactively pushes notifications reminding investors of their rights to participate in relevant shareholder meetings, and allows direct links to the electronic voting platform for voting, as well as to the video-assisted shareholder meeting platform for registration, check-in, and online viewing of the meetings. When investors' securities are subject to ex-rights or ex-dividend, notifications about their rights to participate in stock distributions and dividend payouts are pushed.

Additionally, investors can use TDCC e-Passbook App to link to the 'Shareholder e-Service Platform' to apply for electronic notification services (eNotice) for stock affairs. They can then receive notifications about dividend distributions through the app and query details of each dividend payout.

Integration of Fund Assets across Institutions

This service integrates investors' fund assets from various fund sales institutions, including futures trust funds and private funds, using an ID-based system.

Linkage with Bank Account Assets

Through the "Link Bank Account" feature, investors can conveniently authorize and verify their accounts at partner banks. Upon authorization, they can access deposit account balances and transaction details directly within the e-Passbook app, which offers a centralized platform for a comprehensive overview of their financial information.

- For more information, please see the [e-Passbook](#) website.



Scan to download the
[e-Passbook app](#)

Market Value

- TDCC integrates securities, funds, and banking asset services to facilitate asset allocation and review for investors. This allows for a more diverse range of digital services.
- The Company's platform offers real-time presentation of market information, including a push notification feature that ensures the timely delivery of key equity information to investors. This feature provides a personalized and integrated equity alert mechanism that spans across different asset classes, offering investors customized alerts tailored to their specific interests and preferences. TDCC is proud to offer this innovative service to our valued clients.



II. Shareholder e-Services

TDCC Stockvote

The use of electronic voting at shareholders' meetings is an effective means of increasing attendance rates and promoting greater shareholder participation in Company meetings. The three highlights of TDCC's electronic voting platform for shareholders' meetings are as follows:

◆ Internationalization

TDCC has partnered with two renowned electronic voting institutions, Broadridge and Institutional Shareholder Services (ISS), both of which are recognized as global leaders in the field. This collaboration enables TDCC to provide Straight-Through Processing (STP) services for cross-border voting.

◆ Digitization

TDCC utilizes API technology to connect with securities firms order placement apps and the e-Passbook app. This integration allows investors to easily participate in electronic voting.

◆ ESG Promotion

Provide a function for the company or its proxy share registrar to announce the electronic voting results one day before the shareholders' meeting, enhancing the transparency of the electronic voting results.

- For more details, please refer to the e-Handheld Service "[TDCC Stockvote](#)".

Market Value

- Helps to increase the proportion of shares represented at the shareholders' meeting, enhancing shareholder participation.
- Improves the efficiency of the shareholders' meeting and reduces the manpower and time costs for the issuing company to hold the meeting, thereby enhancing the level of corporate governance in our country's capital market.
- Provides investors with a "one-stop service" platform, offering comprehensive video participation functions for the shareholders' meeting, including registration, live streaming, online questioning, and exercising voting rights, thereby promoting shareholder activism.

Shareholders' Meeting Video Conferencing Platform

In accordance with regulatory policies and in response to digital trends, TDCC has established the "Shareholders' Meeting Video Conference Platform" following the relevant regulations of the "Regulations Governing the Administration of Shareholder Services of Public Companies."

- ◆ The optimization of the video conference platform was carried out, and the 3.0 platform was officially launched on March 1, 2023.
- ◆ Examples of meeting notices, bilingual templates for board proposals, material announcements, user manuals, FAQs, and promotional kits were revised and updated on the official website on February 14, 2023.
- ◆ Foreign shareholders can participate in shareholders' meetings via video conferencing by verifying their identity using a CN code, allowing them to watch live broadcasts, ask questions, and vote on impromptu motions.

Market Value

- 96 companies used the shareholders' meeting video conference platform, and all successfully held their meetings.
- In line with international trends and digitalization, enhancing corporate governance performance.

Electronic Notification Platform for Shareholder Services

In alignment with the 2050 net-zero emissions goal, an electronic notification platform for shareholder services (eNotice platform) was established to provide electronic notifications for dividend distributions by public companies. The platform was launched on June 30, 2023.

In 2023, 968 issuing companies signed contracts to use the eNotice platform. The total number of companies distributing stock dividends and cash dividends in the market (excluding companies represented by China Trust) was 1,372, accounting for approximately 70.6%.

Investors can use TDCC eHand App to apply for and receive push notifications regarding dividend distributions and to check detailed dividend information.

Market Value

- Reduces costs for issuing companies
- Enhances operational efficiency and supports sustainable policy development for energy conservation and carbon reduction
- Provides convenient shareholder services and a digital experience, helping shareholders achieve the goal of "seamless dividend receipt"

III. ESG IR Platform

- ◆ The ESG IR Platform operated by TDCC provides ESG ratings to listed companies in Taiwan by integrating comprehensive information from six major global ESG rating systems. The Platform offers ESG ratings for almost 2,000 listed companies in Taiwan and is widely recognized as a leading ESG rating website globally.
- ◆ To assist institutional investors in fulfilling their fiduciary duties and implementing responsible investment, the 2023 ESG IR platform provides:
 - Shareholders' meeting voting disclosure service: Institutional investors can use this system to maintain information such as voting reasons and speech records, and they can also choose to temporarily adopt aggregated disclosure.
 - A range of ESG screening functions: Including product, controversy, and rating screening and tracking functions.
- ◆ The release of the country's first "Code of Conduct for ESG Rating Agencies," which is the world's first code of conduct issued by an ESG rating user entity. Through close collaboration with domestic and international ESG rating agencies, this aims to increase the transparency of ESG ratings.

Market Value

- The platform greatly enhances information dissemination, providing a stronger incentive for global investors to incorporate Taiwan stocks into their asset allocation, thereby stimulating the Taiwan stock market.
- TDCC platform provides issuing companies with comprehensive and impartial ESG information. This promotes ESG performance among listed companies and stimulates growth in the responsible investment market in Taiwan.
- Assisted our country in rising to 3rd place in "CG WATCH"
- Simplified the disclosure process and significantly improved the quality of disclosures to meet various investor screening needs
- Increased the transparency of ESG ratings.

IV. Securities and Futures Industry ESG Implementation Information Control System Reporting Platform

- ◆ In line with regulatory authorities' promotion of the "Sustainable Development Transformation Implementation Strategy for the Securities and Futures Industry," a "Securities and Futures Industry ESG Implementation Information Control System" reporting platform was established in 2022. This platform provides digital reporting for industry operators and allows supervisory and control units to use supervisory technology to monitor execution and analyze subsequent reporting data.
- ◆ To support the net-zero transition, and in cooperation with regulatory authorities promoting the financial industry's net-zero initiative platform, the integration of the securities and futures industry's ESG implementation information control operations was planned in 2023. This will include bringing relevant carbon emission data into the newly established financial industry carbon emission reporting platform, facilitating user-friendly reporting for financial industry participants.

Market Value

- The platform offers a structured reporting interface for participants in the securities and futures industries to meet their quarterly reporting requirements.
- The reporting website not only aids regulatory authorities in monitoring the reporting status of industry participants, but also offers visualized reports on the reporting status for regulatory units.
- This helps reduce overall market operation costs and improves operational efficiency.

V. Short-term securities centralized depository clearance and delivery, as well as financing commercial drafts

Short-Term Securities Centralized Depository Settlement and Delivery System

The Short-Term Securities Centralized Depository Settlement and Delivery System is the first system in Taiwan to be connected to the central bank's system. It utilizes the simultaneous delivery of funds and securities and operates on a real-time gross clearance (RTGS) basis. The Short-Term Securities Centralized Depository Settlement and Delivery System provides information services for the simultaneous clearance and delivery of funds and securities in the primary market, secondary market, and clearing operations of domestic short-term securities. Its primary objective is to enhance the efficiency of fund utilization within the money market.

Commercial Paper Type 2 (CP2)

To meet the demands for efficient issuance processes, risk mitigation, heightened efficiency, improved security, and reduced manual operation expenses, TDCC actively advocates for the registration of CP2. Since 2018, TDCC has implemented an electronic delivery service for commercial paper issuance documents. This service allows for the transmission of physical transaction documents and issuance documents in electronic format between issuers, underwriters, and guarantor banks via TDCC's issuance operation platform.

Securities Market Management Information Platform

The Company has established the Securities Market Management Information Platform by utilizing financial intelligence and new technologies. This platform presents a wealth of detailed content through user-friendly dashboards, enabling users to swiftly and comprehensively grasp pertinent information. It offers real-time and valuable market information to securities firms, aiding them in fortifying their risk management mechanisms.

Market Value

- Mitigates risks such as loss, forgery, and tampering during the delivery process.
- Effectively eliminates counterparty default delivery risk.
- Enhances trading efficiency and reduces market operation costs.
- Complies with the clearance and delivery standards for large-value transactions set by the Bank for International Settlements (BIS).
- Reduces manual procedures and risks for issuers and securities firms in the primary market.
- Strengthens the infrastructure and development of Taiwan's securities market.

VI. Fundclear

Fund Declaration Announcement

By utilizing fintech and intelligent software tools, TDCC presents market statistics and information in visually appealing graphics. This approach enables investors to access integrated charts that are easy to understand and intuitively comprehensible.

Morningstar has collaborated with TDCC to seamlessly integrate the Fund Rating, Fund Portfolio Style Box, Fund Value Growth Chart, and other exclusive and proprietary data into the existing Fund Information Observation Station. These additions serve as valuable reference points for investors.

TDCC collaborates with FundRich and other fund distributors to aggregate extensive domestic and international fund data from the Fund Information Observation Station and incorporate it into its sales platforms. This integration serves as an invaluable auxiliary tool for investors to make informed decisions regarding fund trading.

- For more information, please visit the [Fund Information Observation Station](#) website:

Fund Trading Services

To enhance Taiwanese citizens' awareness of retirement fund management and promote independent financial planning, initiatives have been implemented to address the future impact of retirement. Since 2020, TDCC's sales institutions have been providing daily services on their fund trading platforms, allowing customers to establish regular investment plans. Additionally, securities firms have introduced transactional adjustments related to fund trading and exchange since 2021, in accordance with regulatory revisions that permit securities brokers to offer intermediary services for the trading and exchange of fund beneficiary certificates.

Fund Information Transmission Service

This service allows Taiwanese fund platform agents to automatically transmit order information for subscribing to and redeeming funds, as well as receive trade confirmations from overseas fund companies. Additionally, since 2021, the Fund Information Transmission Platform has been enhanced to enable sales institutions to provide short-term customer data for overseas funds to their respective overseas fund platform agents.

Domestic Fund Centralized Clearing Platform

Aligned with the strategic objectives outlined in the regulatory blueprint for the capital market, TDCC intends to establish a Domestic Fund Centralized Clearing Platform. The related platform services were launched in June 2023, providing transaction information and total amount settlement services between investment trust companies and fund sales agencies. By using a standardized and automated operation mode, it significantly improves the operational efficiency of domestic fund settlements. Subsequently, to enhance the synergy of the domestic fund centralized clearing platform services, the planning includes providing B2C total amount settlement services directly to customers of investment trust companies. Investment trusts can flexibly choose operations such as subscription, redemption, dividend distribution, and liquidation. This service assists companies with business needs in expanding their fund operations, making the service content more comprehensive and creating market benefits together. This service is expected to complete system construction by the end of 2024.

Market Value

- Simplifying complex operations between institutions in a multi-to-multi setup.
- In 2023, there were approximately 108.5 billion regular investment plans for both domestic and overseas funds, with a subscription amount totaling around NT\$80.4 billion.
- Flexible and diversified fund deductions help mitigate price risks and provide secure and convenient payment services.
- Assisting regulatory authorities in market supervision and review.
- Enhancing the automation of transmitting order information for fund platform agents to reduce the risk of manual operational errors.

VII. Cross-Border Depository

TDCC's cross-border depository system operates through SWIFT, providing a straight-through service with account management as its core function. This system includes several features, such as securities clearance, corporate action information, asset valuation, and customized reporting. Currently, TDCC's depository services primarily focus on bonds, while the implementation of the equity securities mechanism is underway. The system is interconnected with mature markets such as the United States, the United Kingdom, France, Germany, Japan, Hong Kong, Singapore, and South Korea. To adapt to changes in international clearance operations, such as the implementation of the CSDR penalty mechanism for failed transactions, TDCC provides relevant mechanisms. Additionally, TDCC shares updated information from international central securities depositories (ICSDs) and global custodian banks with participants in cross-border depository, facilitating synchronized operations with the international market.

Market Value

- Providing regulatory reports to the central bank aids in obtaining a thorough comprehension of foreign currency-denominated bond-related foreign exchange business, which in turn facilitates market supervision and regulatory oversight.
- By submitting regulatory reports to the Insurance Bureau and utilizing an online query system with interactive analysis pages, TDCC can effectively and promptly provide the regulatory authority with an overview of the foreign securities investment situation in the insurance industry. This enables the regulatory authority to stay well-informed and carry out its regulatory duties more efficiently.
- Establishing mechanisms to connect Taiwan's financial market with the international market and cultivating talent in cross-border depository technology.
- Building a localized cross-border depository service system to reduce implementation and operational costs.
- Real-time information exchange with foreign Depository institutions to reduce operational risks for participants in cross-border depository.

VIII. Fund Review

In response to the significant growth in the number and total scale of domestic and foreign funds in recent years, the regulatory authorities have comprehensively considered market development, the needs of industry participants, and the protection of investor rights. They have decided to delegate the review of fund raising cases to securities peripheral units in stages and to amend the relevant regulations. Starting from 2024, the review of domestic and foreign fund raising cases, excluding index equity funds (ETFs), will be entrusted to TDCC.

Market Value

- In accordance with relevant regulations and the key points of the regulatory authorities' review, design a checklist for fund raising cases to enhance the transparency and predictability of the fund product review mechanism.
- Establish a dedicated fund review team to plan and implement related systems, and hold industry briefings and establish communication channels to ensure the smooth operation of the new review mechanism.
- Assist the regulatory authorities in handling fund review tasks, building a more comprehensive investment environment through public-private collaboration, and providing investors with more diverse product services.

IX. Futures Settlement System

TDCC has partnered with the Futures Exchange to develop a computerized futures clearance system that streamlines clearance and delivery operations in the futures market.

In 2023, a total of 22 computer system development and maintenance operations were carried out for new products, new systems, and various business needs. This includes cooperating with the Taiwan Futures Exchange (TAIFEX) to launch customized mini TAIFEX futures and options contracts, incorporating single stock futures (TSMC) into night trading, and adding mini contracts for the "Philadelphia Semiconductor Index Futures" and ETF futures. Adjustments to the futures clearing system were made to enhance functionalities such as delivery and settlement, price adjustment, comprehensive accounts, monitoring, and position limits.

Market Value

- Facilitating investors to quickly familiarize themselves with and provide diverse hedging channels.
- Reacting to international market changes for timely trading.
- Real-time system risk control, diversification of investments, and hedging benefits.

X. Accepting inquiries from investors and government agencies regarding depository targets

Inquiry of TDCC Data by Investors via the Internet

TDCC has introduced the Investor Inquiry System for Depository Data, which provides the public with access to centralized depository information through online applications, thereby eliminating the need for in-person visits. This system operates 24/7, enabling investors to conveniently inquire about depository targets at any time.

To align with the fintech trend and the Financial Supervisory Commission's promotion of contactless digital financial services, as well as to meet the demand for online inquiries caused by the COVID-19 pandemic, the Company has made significant efforts to improve the online inquiry system.

After two years of optimization, TDCC's internet inquiry system has introduced two new services. Firstly, parents can now inquire about depository data on behalf of their underage children. Secondly, inheritors can access data pertaining to the deceased. These additions have expanded the service's coverage and made it accessible through mobile devices. Additionally, the system has integrated several digital identification mechanisms, including mobile citizen certificates and chip-based financial cards. In addition, legal guardians can now access the MyData platform seamlessly through the internet inquiry system to inquire about the data of their underage children. This streamlined process eliminates any disruptions in the application process, resulting in improved efficiency and convenience.

- Please click here to access the [Investor Central Depository Account Query System](#)

Government Agency Electronic Inquiry

To enhance the efficiency of public services and reduce manpower expenses, various government agencies, including the Executive Yuan Judicial Administration, District Court Civil Execution Office, Control Yuan, Ministry of Justice Agency Against Corruption, Ministry of Health and Welfare, Taxation Authorities, and Ministry of the Interior Construction Agency, have shifted from traditional letter-based inquiries to electronic inquiries.

The National Taxation Bureau has implemented the Single Window Service for Financial Inheritance Data and Estate Tax Declaration Calculation

In collaboration with the National Taxation Bureau, the Company has made significant efforts to provide convenient services for the public to inquire about the financial inheritance of deceased individuals. Through TDCC's Single Window, citizens now have access to information regarding deposits, securities, funds, futures, and credit reports. These services offer substantial benefits to the public, facilitating easier and more comprehensive access to financial inheritance information. To further improve administrative convenience, the National Taxation Bureau acts as the single reply window and facilitates electronic transmission of data, offering estate tax declaration calculation services.

TDCC has played a vital role in supporting the National Taxation Bureau by reviewing regulations, systems, and forms, and providing recommendations. Moreover, it has contributed to education and training initiatives and promotional activities. The successful importation of financial inheritance data into the asset reference list has enabled the launch of the estate tax declaration calculation service on January 1, 2022, significantly enhancing the convenience of the estate tax declaration process. In 2023, over 130,000 individuals benefited from TDCC's streamlined approach, which eliminated the need for multiple applications. This service provided substantial convenience for the public and simplified the estate tax declaration process.

- Please click here to access [the Estate Tax Declaration Calculation](#) service.

Market Value

- Enhancing the efficiency and convenience of the public's online inquiry of TDCC's centralized depository data.
- Apart from the banking sector, TDCC has been a pioneer in implementing MyData, with the goal of creating innovative and user-friendly digital services.
- The implementation of MyData by TDCC not only improves the efficiency of government agencies but also plays a critical role in tax governance and ensuring equity in government subsidies.
- By implementing MyData, TDCC has streamlined the process of querying and consolidating the financial assets of deceased individuals, resulting in significant reductions in time and transportation expenses. This has greatly enhanced the convenience of estate tax declaration.

XI. The Company employs big data and blockchain technology for bond and security trading, as well as for generating statistical information

Big Data Information Platform for Querying Bond Statistics

The integration of TDCC's big data information platform enables the retrieval of bond statistical information, replacing the previous manual submission of short-term bond statistical reports via fax, email, or postal mail as instructed by central bank-related agencies.

Improvement of Bond Trading Efficiency

TDCC system enables bond traders to transmit trade documents and bond statements to clients electronically, reducing the burden and cost of manual handling for bond dealers and physical storage and inventory operations for custodian banks. Furthermore, it allows market participants to confirm early redemption online, replacing the current paper-based application process. In 2023, the optimization of bond transaction receipts and the digitization of bond passbooks were carried out, including incorporating government bonds into bond transaction receipts. This service was launched on May 22, making the electronic delivery of transaction receipts more aligned with customer needs.

Application of Blockchain Technology

To ensure information security and maintain control over electronic bond transactions, the Company has introduced blockchain technology. This technology guarantees the authenticity of trade documents and bond statements exchanged or confirmed by both parties. The documents are authenticated, electronically signed, encrypted, and recorded in TDCC blockchain storage area using certificates for identity verification.

Market Value

- The implementation of this system enhances manpower utilization and substantially improves operational efficiency.
- The implementation of this system effectively mitigates the risks of data transmission loss or tampering, thereby enhancing the security of information provision.
- TDCC system reduces operational burdens for market participants and improves delivery efficiency.
- Trade documents and other data within the system have tamper-proof and non-repudiation features, which serve as digital evidence. This greatly enhances the security of digital bond transactions, ensuring their integrity and authenticity.

XII. A shared platform has been established for the opening of custodian accounts by custodians, securities firms, and investment trust companies

Every year, custodian institutions and securities firms process more than 33,000 account-related transactions. In order to create a digital operating environment, TDCC has developed the eSMART digital book-entry platform, which provides a range of services such as online account opening applications, digital document transmission, certificate signing, and electronic file storage.

Utilizing the eSMART platform for electronic document transmission and data processing can effectively reduce operational costs. The platform enables electronic delivery and storage of account opening documents, eliminating the need for physical courier expenses. Furthermore, it reduces warehousing costs and minimizes space requirements for document storage.

The eSMART platform has expanded its services to improve operational efficiency in the fund market and capitalize on the synergies among investment trust companies, fund custodians, and securities firms. It facilitates the electronic transmission of pertinent account opening data to multiple corresponding institutions, eliminating the necessity for manual document delivery and repetitive printing of application forms. This streamlined approach not only ensures the efficacy of the documents but also advances environmental sustainability and fulfills social responsibility by contributing to a green and sustainable society.

Market Value

- The eSMART platform is in line with the regulatory authority's policy of creating an electronic and paperless environment for opening foreign investor accounts.
- The eSMART platform creates a secure environment that does not store data, ensuring efficient book-entry operations and delivering high-quality services to the market.
- Saves over 5 million courier expenses annually.
- Improves operational efficiency by nearly 12,000 hours per year for custodian institutions and securities firms.

Assists in market supervision and regulatory compliance efforts by TDCC.

I. Suptech

◆ Securities Monitoring Technology Platform

The development of a securities monitoring technology platform consists of two essential components: the Declaration Data Management Platform and the Monitoring Analysis Portal. These components enable securities financial companies to manage and report data while also providing data analysis services to regulatory authorities.

◆ Fund Monitoring Information Inquiry Service

Establish a big data platform for fund supervision information, encompassing four major aspects: "Market Overview," "Position Exposure," "Industry Development," and "Routine Supervision."

This platform helps regulatory authorities quickly grasp the fund market landscape, including fund size, sales conditions, and market changes. By analyzing the characteristics of various holdings, it comprehensively enhances the regulatory authorities' supervision of the positions held by investment trust funds. Through data digitization and visualization, the platform provides a comprehensive view of the industry development in the fund market, effectively addressing the pain points of labor-intensive data production and review processes.

◆ ESG Fund Section

In order to meet regulatory requirements for increased transparency and fund monitoring, the Fund Information Observation Station has implemented an ESG Fund Section and included risk-return index information. The provided fund information covers several aspects, such as investment objectives and measurement criteria, investment strategies and methods, investment proportion allocation, reference performance indicators, exclusion policies, risk warnings, and due diligence engagement.

Value and Benefits:

- The implementation of real-time market monitoring has improved the efficiency of regulatory operations.
- The utilization of multi-dimensional interactive monitoring information enables regulatory authorities to promptly comprehend market trends for structured products.
- Improving Transparency and Completeness of Information in the Derivatives Market
- The Company provides monitoring and risk management information to regulatory authorities and over-the-counter trading centers, thereby promoting stable growth in the derivatives market.

II. Offshore Structured Notes Observation System

◆ Offshore Structured Notes Observation System

The monitoring platform for structured products provides crucial information, including reference prices, dividend details, investor guidelines, and disclosure of significant events for overseas structured products. The application process is conducted electronically, and it offers features for adding new products, updating registered information, and facilitating early redemption. The Company utilizes automated encrypted transmission through SFTP to enhance information reporting efficiency and operational security on the file submission platform.

◆ Overseas Structured Product Monitoring Information

To address the significant growth of the global structured product market, TDCC has developed a six-dimensional interactive monitoring dashboard utilizing visualization tools and big data analytics. This dashboard provides a comprehensive overview of market status, product information, issuer details, market share rankings, appointed selling agents, and investor holdings. It offers regulatory authorities a comprehensive monitoring solution.

Value and Benefits:

- Significantly enhances transparency in the overseas structured product market, thereby safeguarding investor rights and interests.
- Provides reference for investor asset management, reducing investment risks.
- The implementation of automated processes has streamlined daily information reporting for reporting institutions, replacing traditional manual file-by-file operations. This has resulted in a significant enhancement of information reporting efficiency and operational stability.
- Improves the efficiency of aggregating and reporting daily sales information for issuers and general agents.
- In 2022, a total of 12,539 products were reported and announced.

III. Company Executives and Major Shareholders Information Platform: (Company Transparency Platform, CTP)

TDCC has established a platform in accordance with the Company Act designated by the Ministry of Economic Affairs. The platform comprises three essential functions: declaration, inquiry, and supervision.

◆ Declaration:

The platform allows approximately 710,000 domestic registered companies or their designated reporting agents to electronically submit information on company directors, managers, supervisors, and shareholders or contributors holding more than 10% of shares or capital. This information includes names, ID numbers, birth (establishment) dates, nationalities, and shareholdings or capital contributions. In 2023, a multi-factor authentication login mechanism was introduced.

◆ Inquiry:

The platform enables financial institutions, designated non-financial entities, or individuals to comply with the Anti-Money Laundering Act through customer identity verification. This is accomplished by querying the information provided by companies.

In 2023, an API-based anomaly reporting mechanism was introduced to further enhance the accuracy of reported data.

◆ Supervision:

The platform provides essential information for regulatory authorities, including basic company details (such as regional analysis, organizational structure, capital levels, and trends), declaration status, and usage statistics for inquiry units. This facilitates regulatory supervision and auditing processes.

Value and Benefits:

- It improves corporate information transparency in Taiwan and reinforces measures against money laundering.
- The Company enhances operational efficiency and promotes energy conservation and carbon reduction by utilizing electronic reporting.
- The platform's assistance was instrumental in Taiwan's favorable assessment during the third round of evaluations by the Asia/Pacific Group on Money Laundering (APG). Consequently, Taiwan was granted the "regular follow-up" designation and received commendations from other nations. This accomplishment has resulted in requests for information exchange and evaluation from other countries.
- The platform provides regulatory authorities with real-time access to data, thereby enhancing their monitoring and supervision capabilities.
- In 2023, a multi-factor authentication login mechanism was added to the reporting platform. This allows company administrators and users to log in not only with a username and password but also by verifying their National Health Insurance card number. This enhancement improves reporting efficiency and increases the completeness of platform data.
- In 2023, an API-based anomaly reporting mechanism was added to the query platform. This allows units using API queries to increase the efficiency of reporting data anomalies.

IV. AML/CFT Screening Platform

◆ System Background:

A system has been established to enable users to query customer background information in compliance with the Anti-Money Laundering Act and Counter-Terrorism Financing Act. This system is available not only to TDCC participants but also to other financial institutions and designated non-financial businesses or individuals upon application.

◆ System Operation:

The system integrates data from the Dow Jones database and TDCC's self-developed list. Users can use the system to conduct queries and comparisons, which help them verify customer identities and perform ongoing due diligence procedures.

◆ System User Units:

The system encompasses various financial institutions, including securities, bills, futures, securities firms, investment trusts, and investment advisors. It also includes designated non-financial businesses or individuals, such as accountants, bookkeepers, real estate brokers, lawyers, pawnshops, tax agents, land agents, foreign currency exchange offices, virtual currency, and fintech startups.

Value and Benefits:

- The system encompasses various financial institutions, including securities, bills, futures, securities firms, investment trusts, and investment advisors. It also includes designated non-financial businesses or individuals, such as accountants, bookkeepers, real estate brokers, lawyers, pawnshops, tax agents, land agents, foreign currency exchange offices, virtual currency, and fintech startups.
- In 2023, there were 33 industry sectors and 6,349 user accounts in total. Among them, 43 accounts were registered by government agencies, which made a significant contribution to anti-money laundering efforts.

V. Customer Due Diligence Management System

TDCC conducts due diligence procedures for its current clients, optimizing the process through digitalization. This involves functionalities such as electronically archiving and retrieving search results, generating diverse CDD reports automatically, and enabling online approvals. Furthermore, the system integrates automated control mechanisms, such as scheduling periodic reviews and automatically scanning customer data.

In 2023, the Company processed a total of 874 cases for customer due diligence and risk rating purposes. This comprised 358 cases for new customers, 50 cases for new business relationships, 115 cases for periodic reviews, and 351 cases related to other events, such as changes in directors and supervisors or penalties imposed by the Financial Supervisory Commission.

Value and Benefits:

- Maintains compliance with AML/CFT regulations, thereby aiding regulatory authorities in market supervision.
- Digital process management boosts operational efficiency.

VI. Provides internal control and information security audits, as well as guidance for securities operations. Furthermore, conducts internal control audits specifically for equity units and proactively seeks trustee services

- ◆ TDCC provides a variety of support services and guidance on internal control and cybersecurity audits to securities firms and its own operations. Additionally, the Company conducts audits of equity unit operations and offers improvement suggestions to address any identified deficiencies.
- ◆ Assistance is provided to securities firms in conducting TDCC operations, with a focus on improving guidance and conducting audits related to information security controls. The emphasis is on enhancing the security of information usage.
- ◆ TDCC participates annually in formulating and revising the Standard Specification for Internal Control System of Securities Firms and the Standard Specification for Internal Control System for Futures Companies Engaging in Securities Trading Auxiliary Services.
- ◆ TDCC is accountable for creating and updating the Standard Specification for Internal Control System of Equity Units. Additionally, it conducts informative sessions to guarantee the efficient execution of internal control systems in equity units.
- ◆ TDCC conducts audits on companies entrusted with proxy solicitation affairs during shareholder meetings to strengthen their internal control system. These audits are aimed at improving the management of shareholder meeting proxy solicitation.

Value and Benefits:

- Strives to improve the efficiency and security of equity operations while supporting regulatory authorities in their market supervision efforts.
- Safeguarding investor rights and ensuring the sound development of the securities market.
- Prioritizes the security of data, systems, equipment, and networks for user units involved in relevant businesses. By doing so, it aims to protect the interests of the public and ensure the stable operation of the securities market.

VII. Provides internal control and information security audits, as well as guidance for securities operations. Furthermore, conducts internal control audits specifically for equity units and proactively seeks trustee services

On October 5, 2023, the regulatory authority issued a directive delegating our company to audit the information security operations of investment advisory businesses. Our company assisted the regulatory authority in completing the following tasks:

- ◆ Developed and completed 12 major and 65 minor audit items, and prepared audit working papers.
- ◆ Formulated three regulations: "Measures for Auditing Information Security Operations of Investment Advisory Businesses," "Guidelines for Tracking and Assessing Deficiencies in Information Security Operations of Investment Advisory Businesses," and "Guidelines for Special Audits and Guidance on Information Security Operations of Investment Advisory Businesses."
- ◆ Created the "Information Security Operations Audit Manual for Investment Advisory Businesses" as a standard for conducting audit operations.

Value and Benefits:

- Enhance the security of fund transactions, thereby assisting regulatory authorities in supervising the market
- Ensure investor rights and maintain the healthy development of the fund market

FundRich**FundRich Performance**

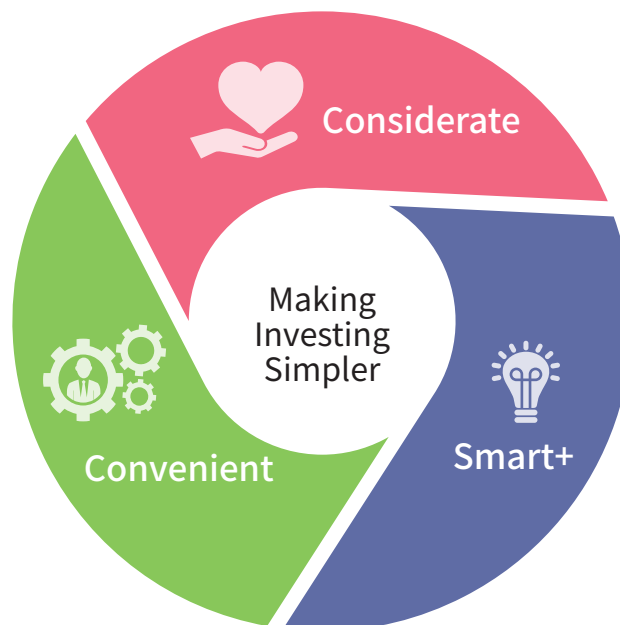
- ✓ FundRich has gained the confidence of its clients, as demonstrated by its assets under management (AUM) reaching NT\$119.517 billion by the end of 2023, indicating a year-on-year growth rate of 34%.
- ✓ FundRich has witnessed significant growth in its customer base in recent years, mainly attributed to initiatives such as the Good Life Retirement and Retirement Planning platforms. In October 2023, FundRich launched a dedicated fund management app for Taiwanese citizens. The app provides a variety of free information to help investors quickly stay informed about their investments. By the end of 2023, the cumulative number of downloads reached 90,000, the number of new account openings reached 254,125, indicating a 9% growth compared to 2022.
- ✓ In 2022, the total subscription amount reached around NT\$46.566 billion. A substantial portion of this sum, approximately NT\$22.239 billion, was due to consistent investment contributions from initiatives such as Good Life Retirement and Good Retirement.

Innovative Chip-and-PIN Bank Card Account Opening, Streamlining Verification Processes

FundRich collaborated with TDCC, regulatory authorities, and industry associations to simplify the account opening process and obtain approval for regulatory compliance. This collaboration resulted in the simplification of the verification process for opening fund accounts, enabling the use of chip-and-PIN bank cards as electronic identification. As a result, investors can now conveniently use their online banking credentials to authorize automatic deduction agreements, which serve as a means of electronic identity verification. The traditional account opening process using physical documents usually requires 7 to 10 days. Nevertheless, the implementation of online banking and chip-and-PIN card account openings has substantially reduced the processing time to 1 to 2 business days. This enhancement has significantly improved convenience for investors.

Development of Diversified Wealth Management Tools, Empowering Customer Self-Investment

Amid the digital financial trend, FundRich adheres to the principle of "thoughtful, convenient, and intelligent" services, continuously launching various smart tools. These tools allow investors to more easily and autonomously find funds that match their risk profiles among nearly 4,500 fund products on the FundRich platform. In 2023, FundRich partnered with Rakuten International Bank to launch a "one-click account opening" information sharing service. Rakuten Bank customers no longer need to fill out complicated personal information forms and can complete their fund account applications in as little as three minutes. This collaboration marked the first instance of cooperation between a fund company and a bank in the financial industry. In October of the same year, FundRich also launched a dedicated fund investment app that provides a wealth of free information, including investment market rankings, expert fund insights, weekly capital flows, financial market trends, and weekly key Q&A. Whether a novice investor or an experienced expert, users can access fund information, market dynamics, and place trades anytime and anywhere through mobile devices such as smartphones and tablets, making learning about fund investments simple and quick.



Enhancement of Retirement Preparation Platform and Implementation of Inclusive Financial Services

Under the guidance of the Financial Supervisory Commission (FSC), the "Good Life Retirement" pilot project was launched in 2019 to address the challenges posed by an aging population and retirement. This groundbreaking project has achieved remarkable success, sparking an unprecedented trend of retirement investment in Taiwan. In 2021, TDCC collaborated with financial institutions and industry-academic partnerships to launch an improved version of the "Good Retirement Preparation Platform". The objective of this platform is to offer the public a wider range of investment options and raise awareness about retirement planning, particularly among the younger generation. The platform integrates education, investment, insurance, and public welfare into four key areas, providing retirement funds and insurance products tailored for long-term savings. The project funds feature low management fees and offer 0% handling fees as incentives. By combining education and public welfare, the platform aims to expand awareness of aging and retirement planning among a broader audience, promoting inclusive finance and fostering social stability.

In 2023, the Good Retirement Preparation Platform added more retirement-class fund products from investment trusts and offshore general agent companies, as well as increased participation from life insurance companies. The platform now includes 27 fund brands, 15 insurance companies, and 52 dedicated funds. Under the framework of the the Good Retirement Preparation Platform, "the "Grow Well" initiative was also launched, encouraging parents to use the retirement project funds to save for their children's education, while also securing their own retirement plans. This initiative supports the societal foundation of "caring for the elderly and nurturing the young," aligning with KGI Securities' mission to implement inclusive finance.

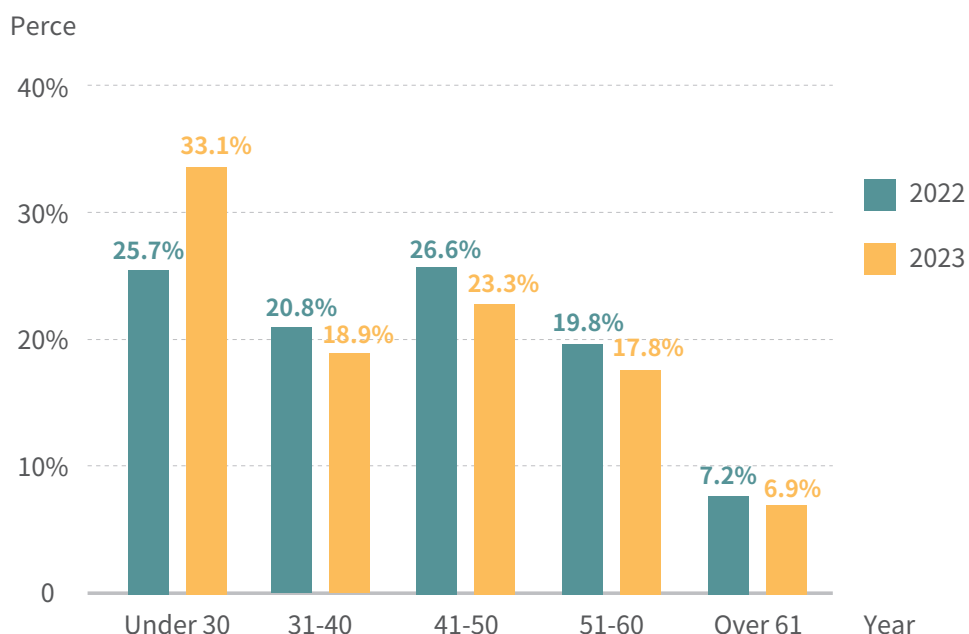
Fund and Insurance Offerings on the Good Retirement Preparation Platform

Name	2021	2022	2023
Fund Brands	21	24	27
Number of Fund Offerings	40	45	52
Insurance Brands	9	13	15
Insurance Products	Protection-oriented Insurance	Protection-oriented Insurance Microinsurance	Protection-oriented Insurance Microinsurance

Promoting Correct Financial Concepts, Encouraging Successful Long-term Investments.

FundRich has long been actively promoting regular fixed-amount investments and encouraging citizens to prepare for retirement early, earning widespread recognition from investors. Since its launch, the number of customers, regular fixed-amount investments, and the scale of fund holdings have continued to grow annually. Despite increased uncertainty in the global financial markets in 2023, the platform's total number of account holders still grew by 9% compared to the end of 2022, reaching 254,000. Notably, new accounts for those under 20 increased by nearly 3,000, a 152% year-over-year growth. Additionally, the proportion of new account holders under 30 rose from 25.7% in 2022 to 33.1% in 2023, indicating a younger customer base and highlighting the success of encouraging young people to manage their finances.

Proportion of New Accounts by Age Group



4.2

High-quality Customer Service

TDCC prioritizes customer service in its business development, dedicating itself to meeting customer needs and making significant efforts to ensure customer rights, privacy protection, and service infrastructure security. The Company offers multiple channels for customer complaints and inquiries, including dedicated phone lines and in-person customer service at our counters. Our aim is to promptly and efficiently resolve any concerns or issues raised by customers. Additionally, we have established online platforms that provide convenient access to information and services. Through these platforms, customers can download relevant materials and stay informed about our latest products and services. Our Company places great emphasis on customer needs, valuing their feedback and opinions. We actively collect customer input through satisfaction surveys and regular communications, allowing us to gain a deeper understanding of their requirements and continuously enhance our services. As we drive diversified business and pursue innovative technological development, we uphold the spirit of information services, ensuring that our operations are conducted with utmost care and consideration.



Personal Data Protection

As the back-office service institution for the capital and monetary markets, TDCC is steadfastly committed to developing the financial market infrastructure and supporting the implementation of various financial projects. Given its role in holding depository data of market investors, safeguarding customer data and ensuring the highest level of information security are of paramount importance to the Company. FundRich Long-Term, as an operating platform for domestic and international fund trading, places a high priority on protecting customer privacy and ensuring server stability and security. Safeguarding customer information and maintaining a secure environment are fundamental principles of the platform. FundRich Long-Term has implemented rigorous information security measures to safeguard customer rights and protect personal information and communication security. These measures are comprehensive and intended to ensure the utmost level of data protection and confidentiality for our customers. In 2023, both TDCC and FundRich Long-Term achieved a commendable record, with no reported incidents or complaints related to customer privacy infringement or loss of customer data.

TDCC

Taiwan Personal Information Protection and Administration System (TPIPAS)

As a central depository and clearing institution, TDCC holds centralized depository data of all market investors, and as such, places great emphasis on protecting personal information. Since 2012, TDCC has implemented the Taiwan Personal Information Protection and Administration System (TPIPAS) to safeguard personal data. In 2013, the Company received the Data Privacy Protection Mark (dp.mark) from the Ministry of Economic Affairs after undergoing verification by a professional organization. To maintain its commitment to data privacy protection, TDCC engages professional organizations annually to verify its compliance with data privacy protection standards and maintain the validity of dp.mark. In 2023, there were no reported complaints or incidents of customer privacy infringement or loss of customer data at TDCC, and we completed a total of 14 reviews to ensure compliance with relevant personal data protection laws and regulations. In accordance with the latest TPIPAS:2021 standards, we revised the related personal data procedures under our jurisdiction.

TDCC adjusts and modifies its personal data handling processes annually to align with operational changes. This includes creating or revising operational flowcharts, conducting legal identification procedures, taking inventories of the types and quantities of personal data collected by the Company to establish a personal data inventory, evaluating personal data risks associated with various business processes, and implementing risk management and control procedures in accordance with the requirements of the TPIPAS and related regulations. These measures are implemented to effectively control and mitigate the risk of personal data breaches within the possession of TDCC.

FundRich

Personal Data Protection

FundRich has taken a proactive approach by engaging professional consultants to assess potential risks associated with personal data and supervise the establishment of appropriate management mechanisms based on the outcomes of the risk assessment. In order to effectively handle emergencies, the Company has implemented an incident response mechanism. Annually, FundRich's compliance unit conducts drills involving multiple departments to evaluate the efficacy of contingency mechanisms in compliance with legal mandates.

Customer Opinion Handling and Communication

As part of its efforts to gain insights into customer opinions, implement customer care initiatives, and enhance service quality, TDCC conducts an annual customer satisfaction survey. This mechanism aims to provide a consistent monitoring of user evaluations of TDCC and interpret the significance of the data representation through an objective and scientific approach. Based on the data and insights gathered from the customer satisfaction survey, we provide professional recommendations to guide TDCC in setting its service priorities and enhancing customer satisfaction.

In 2023, TDCC commissioned a professional market research firm to conduct customer satisfaction surveys on three distinct areas: participation includes the self-management of warning account transfer transactions, the electronic delivery service of bond transaction receipts and bond passbooks between bond dealers and general investors, and the electronic transmission service of ETF income distribution information. Based on the survey report provided by the market research company, the services offered by TDCC have received generally positive feedback. A total of 106 valid responses were collected, resulting in an impressive response rate of 100%. On average, customers expressed a high level of satisfaction, rating various indicators of TDCC's services at an average of 94.32 out of 100.

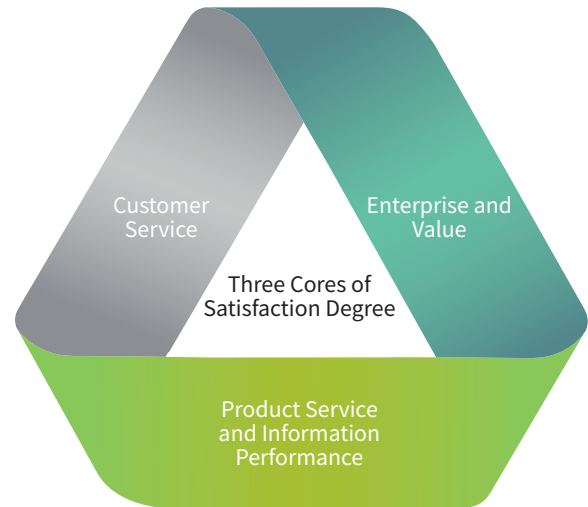
TDCC e-passbook App was aimed at a particular customer segment and received 1,050 valid user samples for assessment. The App received an impressive overall satisfaction rating of 7.59 out of 10 based on feedback from surveyed users.

Customer Satisfaction Survey

● TDCC

TDCC takes the opinions and suggestions of interviewees seriously and classifies them into two categories: those that can be immediately addressed and those that require further evaluation. Specific improvement plans are developed to address immediate issues, which are handled accordingly. The dissatisfactions expressed by interviewees serve as valuable references for setting external issues or quality objectives for the upcoming year. To ensure thorough follow-up, the General Manager will convene a meeting to discuss these matters, and relevant departments will take proactive steps to contact interviewees. They will provide updates on actions taken in response to feedback and offer accurate feedback on opinions.

To actively engage with customers and address their needs and concerns, TDCC employs a range of communication channels. These initiatives include:



Customer service line, counter customer service, e-mail and written materials such as letters



Participate in meetings of relevant labor unions/associations



Hold business exchange, business propaganda description meetings, forums and customer satisfaction surveys at irregular intervals, as well as written materials for new business propaganda description meetings and media statements



Visit participants in person and communicate face to face when checking or counselling



Establish a digital learning platform to provide customers with the latest information and quality services through digital audio and video learning courses and data downloads



Organize telephone courtesy course training and digital audio and video learning courses to enhance customer service quality

● FundRich

FundRich provides extensive fund-related information and places a high priority on customer feedback and issue resolution. In 2023, the FundRich Customer Service Center organized a diverse range of educational training courses, including "Information Security Awareness Training," "Financial Consumer Protection Act," "Fair Treatment Principles," "Consumer Dispute Resolution and Financial-friendly Service Education," "Personal Data Protection Awareness Training," and "Anti-Money Laundering and Combatting the Financing of Terrorism Education." These courses aim to enhance service quality and meet the changing needs of customers.

Digital Learning Platform

TDCC has established the e-Training Digital Learning Platform to keep up with the rapidly changing digital landscape and innovative financial services. The platform provides digital audio and video courses, along with downloadable course materials, to enhance pre-service promotion. It is a valuable resource for employees of domestic securities firms, ticketing firms, fund management companies, banks, and issuing companies, enabling them to stay updated with the latest information and provide high-quality services. The platform features an email feedback channel for course opinions. This feedback is a valuable reference for platform improvements and enables us to assess the effectiveness of the learning outcomes for learners.

TDCC e-Learning Academy

To progress towards becoming a learning organization and facilitate smoother horizontal communication within agile project teams, we have implemented a Knowledge Management (KM) system. This system, officially named "TDCC e-Academy," includes guided learning maps to allow senior employees to pass on their extensive experience. The platform offers quick-start guides and small-class training sessions to promote usage, helping colleagues become more familiar with the system and integrate it into their daily work, thereby making knowledge application more efficient.

TDCC e-Learning Academy's Knowledge Library comprises a vast array of resources, comprising over 500 business topics and around 12,600 documents. The system is consistently expanding its knowledge repository to ensure comprehensive coverage of pertinent information. To address previous challenges, such as decentralized storage of core business information and data retrieval difficulties, the system incorporates mechanisms such as intelligent search and classification management. Newly hired employees at TDCC receive valuable support through the mentorship program and guided learning maps function of TDCC e-Learning Academy. These features are designed to expedite their assimilation into the organization by providing a systematic understanding of core business processes. The mentorship program pairs them with experienced colleagues who can offer guidance, share insights, and provide assistance as they navigate their roles.

4.3

Marketing and Exchange at Home and Abroad

TDCC continues to align with international trends and actively collaborates with domestic and international policies and regulations. Through the utilization of research, development, and innovation in big data and cloud technologies, TDCC consistently introduces a diverse range of products and services. TDCC places significant importance on keeping investors and business practitioners well-informed about new business initiatives. To achieve this, the Company organizes various activities, such as business promotion seminars, educational training sessions, information campaigns, and visits and exchange programs. To enhance global business, TDCC actively participates in regional depository organizations throughout the Asia-Pacific region. Furthermore, it collaborates with international depository institutions by signing cooperation memorandums and establishing close relationships with depository institutions, clearing organizations, custodian banks, and other relevant entities in various countries.

Domestic Business Promotion and Development

To capitalize on market trends in inclusive finance and open financial services, TDCC has taken proactive measures to promote its services. This includes organizing business promotion seminars, providing multiple consultation channels, and fostering collaborations with relevant entities. Additionally, TDCC actively participates in exhibitions and promotional activities to broaden its service scope and gather valuable market information. In response to the COVID-19 pandemic, TDCC has adapted its approach by organizing online forums and leveraging the e-Training digital learning platform to conduct promotional seminars remotely. These initiatives aim to ensure continuous improvement of products and services, while also expanding the reach and accessibility of TDCC's offerings. The business promotion and educational training activities in 2023 were as follows:

TDCC

e-Passbook App

- Through various online and offline channels, TDCC e-Passbook App was promoted, including recording financial radio programs such as "Financial Highway" and "Financial Knowledge," co-producing educational short films on securities investment with related units, and participating in events like the Glory 20 ETF Wealth Expo, the World Investor Week (WIW) Joint Forum, and the 2023 Taipei International Financial Expo. These efforts reached over 100,000 participants.
- By participating in numerous domestic and international competitions, we increased the exposure of TDCC e-Passbook App. The app received the "Green Leadership Award" at the Asia Responsible Enterprise Awards (AREA), the 2023 16th TCSA Taiwan Corporate Sustainability Award, and the "Best Popular Brand" and "Best Product" awards at the 20th National Brand Yushan Awards. Winning the "Best Popular Brand" national first prize in our first participation, the Chairman was invited to the Presidential Office to receive recognition from President Tsai Ing-wen.
- Continued to issue press releases to promote TDCC e-Passbook App to investors. In 2023, we released two press releases covering the expansion of the "Link Bank" feature with more partner financial institutions and the addition of the "Electronic Notification" (eNotice) service on TDCC e-Passbook App.

Business and System Platform Description Meeting

- An explanation session for the testing and launch of the domestic fund centralized clearing platform was held, attended by 304 participants via video conference.
- Two briefing sessions for fund review operations were conducted, with a total of 178 participants.
- Nine sessions were held to explain regulations and platform operations for virtual shareholders' meetings, attended by 430 participants.
- Three online ESG-related education and training sessions were held, with a total of 240 participants.
- Five eNotice education and training sessions were conducted, with a total of 267 participants.

FundRich

Promotional Channels:

- Through major news media and financial programs, we promoted the concept of disciplined and long-term regular fixed-amount investments by embedding these messages. We also strongly advocated for retirement preparation to help alleviate people's anxiety about the future, while promoting anti-fraud information to establish correct financial management concepts and methods.
- Television advertisements and short videos in collaboration with well-known influencers were produced in a lively and easy-to-understand manner. These were distributed on major social media platforms and mass communication channels to promote the concept and importance of legal fund investment platforms and retirement preparation.
- As the pandemic subsided in 2023, FundRich participated in the 2023 Financial Services Charity Carnival, the 2023 Taipei International Financial Expo, and the 2023 World Investor Week Joint Forum. We also hosted the "Grow Well" Children's Theme Day event, as well as online and in-person seminars, including 8 live streams and 3 exclusive in-person seminars by fund companies. Additionally, we organized nearly a hundred financial seminars for enterprises, institutions, and groups. Through lively, engaging, and informative activities, we promoted the correct concepts of regular fixed-amount investments and retirement preparation to various types of audiences, encouraging people to plan their retirement finances early.

Online Marketing Analysis:

FundRich adopts a precise audience segmentation strategy, which includes collecting user behavior data through mass distribution to all users and filtering this behavior to label and categorize friends.

FundRich defines Facebook as a platform for content management, brand representation, and customer service channels. Additionally, leveraging LINE's high open and transmission rates enhances contact points with investors. After adding friends, we effectively segment existing and potential customers through data collection and tagging, conducting targeted promotions and offers for precise marketing. Furthermore, LINE can provide basic inquiries and promotion notifications for investors. If deeper personal information functionality is required, it can serve as a preliminary stage for the official app.

Data is the driving force behind delivering superior investment services, and FundRich is committed to utilizing the following data applications to create simpler and more user-friendly services for investors:

FundRich is committed to providing investors with the impetus they need to succeed

Smart Memory

FundRich enables investors to quickly access recent fund information that they are interested in by automatically recording their browsing history through system services and integrating it with a userfriendly interface.

Data Association

FundRich utilizes tagged data governance to establish correlations between various fund products showcased on the website, as well as between fund products and market articles or reports. This facilitates investors in making investment decisions conveniently while browsing relevant information.

Crowd Search Power

FundRich integrates popular fund products and search data into its website

International Promotion and Exchange

TDCC proactively participates in international organizations to remain up-to-date on global financial and regulatory trends, promote international business development, and facilitate global exchanges. By attending international conferences, visits, and other events, the Company gains valuable insights into international developments and shares its own experiences in business development at significant international meetings. These endeavors aim to enhance international visibility, strengthen the connection between Taiwan and international markets, and promote international cooperation and collaboration.

TDCC annually sends representatives to participate in various international conferences and events, such as the International Organization of Securities Commissions (IOSCO) Annual Meeting, the financial industry conference organized by SWIFT (SIBOS), the World Forum of Central Securities Depositories (WFC), International Securities Services Association (ISSA), the Central Securities Depository (CSD) Executive Workshop held by the Asia-Pacific Central Securities Depository Group (ACG), International Internal Audit Association (IIA) Seminar and Asian Corporate Governance Association (ACGA) Annual Forum, among others. In 2023, TDCC continued to actively participate in international central securities depository organizations, in line with the government's efforts to promote the Taiwan capital market blueprint and strengthen exchanges with global securities institutions. As Vice Chairman of the Asia-Pacific Central Securities Depository Group (ACG) and a member of the Board of Directors of the World Forum of Central Securities Depositories (WFC), TDCC maintained its engagement with international central securities depository organizations. The Company also sent representatives to attend online international conferences to stay abreast of global trends and developments, and to increase the global exposure of the Taiwan capital market. Throughout the year, TDCC actively participated in 28 international exchange activities, including 5 ACG Executive Committee meetings, 4 WFC Board of Directors meetings, and 19 significant international conferences.

● Holding Key Positions in International Central Securities Depository Organizations

In 2018, TDCC successfully established the Investor Services working group in the Asia-Pacific Central Securities Depository Group (ACG) with the support of ACG members. TDCC served as the convener for this working group and became an engaged member of the ACG Executive Committee. These initiatives allowed TDCC to actively contribute to the overall functioning and activities of the ACG organization, with a focus on enhancing investor services in the Asia-Pacific region.

To enhance the global presence of the Taiwan capital market and promote international exchanges and business development, TDCC actively participates in various international exchange activities. In June 2023, as the convener of the ACG Investor Services Task Force, we hosted the "Digital Innovation in Investor Services" seminar. The event was attended by over 100 representatives from 20 ACG member institutions. In addition to our company's representatives, we also invited depository institutions from several countries, including South Korea, India, Thailand, Pakistan, Iran, and Indonesia. The seminar focused on sharing and discussing how depository institutions can use innovative thinking to integrate digital technology, plan future industry development, and optimize investor services in the post-pandemic era. TDCC aims to promote business exchanges among depository organizations in the Asia-Pacific region through various significant events. The Company seeks to strengthen Taiwan's capital market and enhance international cooperation by facilitating multinational seminars, interactive discussions, and knowledge sharing. Furthermore, TDCC aims to demonstrate its successful business development experiences on the global stage. In 2024, our priority will continue to be the promotion of Asia-Pacific capital market exchanges, emphasizing Taiwan's financial ecosystem's digital innovation, resilient sustainability, and technological cybersecurity capabilities. The Company is dedicated to presenting a new blueprint for securities depository services, showcasing our vision for the future and commitment to advancing the industry.

In 2020, TDCC prioritized the research theme of "Investor e-Services" to establish a communication platform for the Investor Services Working Group. A comprehensive survey was conducted by distributing questionnaires to ACG member institutions to gather insights into the current status, development plans, and new technological applications of investor e-services. Considering the impact of COVID-19 on global industries, we updated the questionnaire in 2022 to further understand how depository institutions accelerated and enhanced investor e-services development during the pandemic. The compiled data, survey results, and analysis were comprehensively reported at the 24th Asia-Pacific Central Securities Depository (ACG) Annual Meeting. In 2023, we were also invited by the Association of Eurasian Central Securities Depositories (AECSD) to speak at their mid-level management seminar, held online. During this seminar, we shared insights on the current status and development of investor services among ACG member institutions.

Participation in Diverse International Activities During 2023.

To maintain its market influence and fulfill its role as a robust financial market infrastructure, TDCC remains proactive in staying informed about global developments. Through active participation in international conferences and engaging in exchanges with industry experts worldwide, the Company strives to understand the latest practices and innovative technologies that promote market efficiency and enhance sustainable financial services. This proactive approach positions TDCC to seize future business development opportunities and remain at the forefront of the evolving financial landscape.

TDCC actively assumes the role of a speaker to share its business practices and experiences, effectively contributing to the promotion of international sustainable financial services

Conference Item	Format	Sharing Content
The 23rd Asia-Pacific Central Securities Depository Mid-Level Management Seminar (CTS 23)	Bali, Indonesia	The 23rd Asia-Pacific Central Securities Depository Mid-Level Management Seminar (CTS 23) was jointly organized by the Indonesia Central Securities Depository (KSEI) and the Indonesia Clearing and Guarantee Corporation (IDClear) in Bali, Indonesia. Our organization was invited to participate in the New Business Initiatives (NBI) session as a panelist, where we shared practical experiences on the successful application of AI technology in regulatory technology (SupTech) related to our SupTech Platform for Bills. This presentation received enthusiastic feedback from representatives of various countries.
	June	
"Digital Innovation in Investor Services" Seminar	Bali, Indonesia	During the ACG Mid-Level Management Seminar, TDCC, as the convener of the Investor Services Task Force, hosted the "Digital Innovation in Investor Services" seminar. This event invited depository institutions from various countries, including South Korea, India, Thailand, Pakistan, Iran, and Indonesia, to discuss how depository institutions can use innovative thinking to integrate digital technology in the post-pandemic era. Representatives from TDCC also shared insights on topics such as TDCC e-Hand asset integration service and ESG services.
	June	
The 25th Asia-Pacific Central Securities Depository Group Annual Meeting (ACG 25)	Da Nang, Vietnam	The Vietnam Securities Depository Center (VSDC) hosted the 25th Asia-Pacific Central Securities Depository Group Annual Meeting (ACG 25) in Da Nang, Vietnam, under the theme "CSDs' Initiatives in Line with Global Investment Trends." Our organization was invited to participate as a panelist in the session "Recognition of Global Investment Trends and CSDs' Expected Business Transformation," where we shared our observations on international ESG trends and the successful promotion of our ESG IR platform service, which leads global depositories. Additionally, as the convener of the ACG Investor Services Task Force, we chaired the task force's breakout session, engaging in in-depth exchanges and discussions with member institutions on the latest developments in investor services. Through mutual experience sharing, we aim to foster more diverse development within the depository industry.
	October	
Association of Eurasian Central Securities Depositories (AECSD) Annual Training Seminar 2023	Online Meeting	The Association of Eurasian Central Securities Depositories (AECSD) held the 2023 Annual Training Seminar in a hybrid format, both in-person and online. Our organization was invited to participate as the convener of the ACG Investor Services Task Force. We served as a speaker in the "Local Capital Markets Access" keynote session, where we shared insights on the investor services provided by ACG member institutions.
	November	

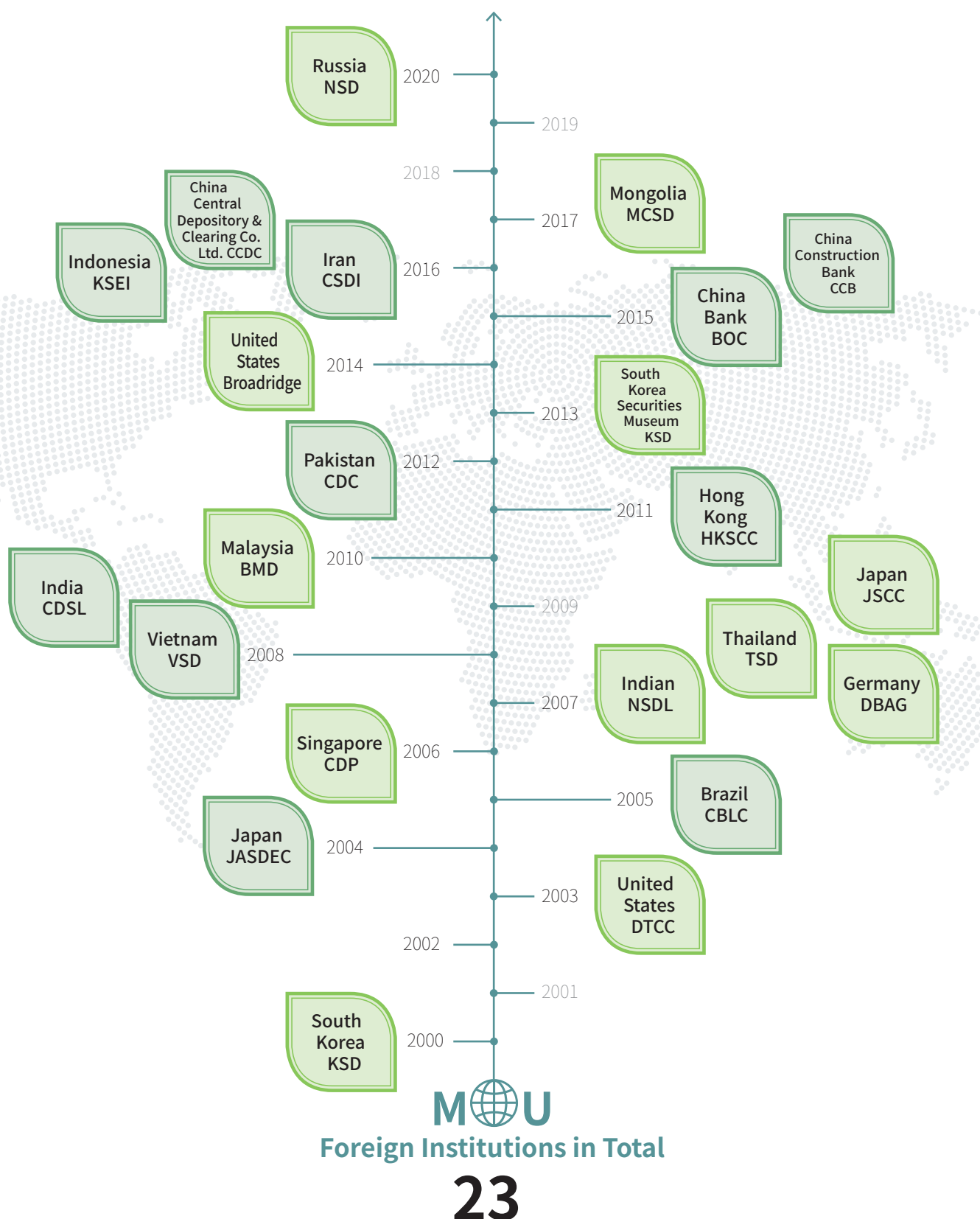
Other International Exchange Activities of TDCC

Conference Item	Location/ Time	Exchange Content
Singapore Fintech Study Tour	Singapore	Global fintech development trends
	February	
Visit by the Ho Chi Minh Stock Exchange (HOSE) and Vietnam Securities Depository (VSD)	Taipei	Exchange of depository-related business information
	February	
Visit to Malaysia by a Proxy Advisory Firm and Depository Company	Malaysia	Development of proxy advisory firms and innovation in depository business operations
	March	
Visit by the Asia/Pacific Group on Money Laundering (APG)	Taipei	Sharing the company's efforts in implementing national anti-money laundering policies and enhancing information transparency
	March	
21st Annual Meeting of the International Securities Services Association (ISSA)	Zurich, Switzerland	Global Trends and Developments in Corporate Governance
	May	
World Forum of CSDs (WFC) 2023 Annual Meeting	Prague, Czech Republic	Prospects for the global depository industry
	May	
Cisco Global Technology Forum CISCO LIVE	Las Vegas, USA	Global information technology development trends
	June	
48th Annual Meeting of the International Organization of Securities Commissions (IOSCO)	Bangkok, Thailand	Global development trends in the securities services industry
	June	
2023 Annual Meeting of the Asia/Pacific Group on Money Laundering (APG)	Vancouver, Canada	Latest developments in international standards for anti-money laundering and counter-terrorist financing
	July	

Conference Item	Location/ Time	Exchange Content
2023 International Internal Audit Conference (IIA)	Amsterdam, Netherlands	International development trends in audit operations
	July	
38th ASEAN+3 Bond Market Forum	Online Meeting	Development trends in the international bond market and sustainable finance
	September	
SWIFT's SIBOS Financial Services Conference	Toronto, Canada	Global development trends in the financial industry
	September	
Visit by the Indonesian Central Securities Depository (KSEI)	Taipei	Exchange of depository-related business information
	September	
Visit by the Central Depository and Settlement Company of Nepal (CDSC)	Taipei	Exchange of depository-related business information
	September	
Visit by the Vietnam Securities Depository Center (VSDC)	Taipei	Exchange of depository-related business information
	September	
Visit by the Mongolian Securities Clearing Corporation (MSCC)	Taipei	Exchange of depository-related business information
	September	
2023 OECD Asian Roundtable on Corporate Governance and Visit to Malaysian Proxy Advisory Firms	Kuala Lumpur, Malaysia	Exchange on proxy advisory matters
	October	
Asia-Pacific Internal Audit Seminar (ACIA)	Cebu, Philippines	International development trends in audit operations
	October	

Conference Item	Location/ Time	Exchange Content
2023 Responsible Investor Asia (RI Asia 2023)	Singapore	Global ESG regulatory development trends
	October	
2023 Annual Forum of the Asian Corporate Governance Association (ACGA)	Mumbai, India	Global development trends in corporate governance
	November	
Gartner 2023 IT Symposium/Xpo Forum	Barcelona, Spain	Global information technology development trends
	November	
2023 ACAMS MENA Conference	Dubai	Latest international anti-money laundering developments and supervisory trends
	November	
Visit by the Thai Securities Depository (TSD)	Taipei	Exchange of depository-related business information
	November	
Gartner 2023 IT Infrastructure, Operations & Cloud Strategies Conference	Tokyo, Japan	Global information technology development trends
	December	
Visit by the Korea Securities Depository (KSD)	Taipei	Discussion on business development and future plans
	December	

By the end of 2023, TDCC had signed Memorandums of Understanding (MOUs) for cooperation with a total of 23 foreign institutions, comprising 15 members of the Asia-Pacific Central Securities Depository Group (ACG) and 8 related depository institutions. The objective of these MOUs is to cultivate international-friendly relations, facilitate information exchange, and explore opportunities for cross-border collaboration.



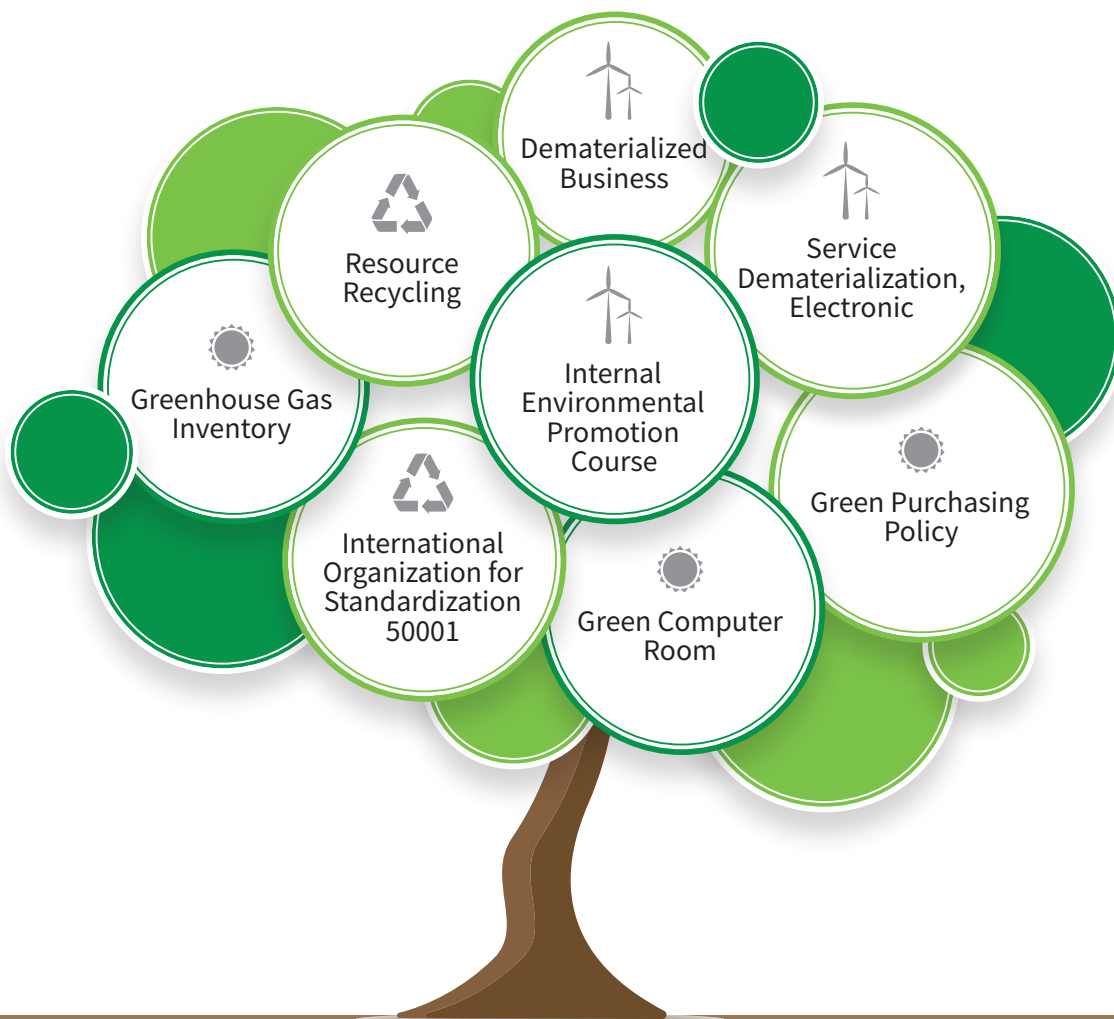
4.4

Environmental Protection and Green Operations

In light of the impact of global warming and climate change, international organizations are advocating for the adoption of a net-zero emissions target by 2050. The principles of energy conservation, carbon reduction, and greenhouse gas emission mitigation have become widespread in the current era. TDCC recognizes that energy conservation and carbon reduction should not be mere slogans, but rather require ongoing action and implementation. The Company understands the importance of enabling employees to seamlessly integrate these principles into their daily operations and corporate culture.

Exert Corporate Influence

As a financial unit, TDCC took the lead in conducting greenhouse gas inventory and energy management system, exerting the influence on the industry and expanding the sustainability awareness of the financial services market.



Establish a sustainable culture internally

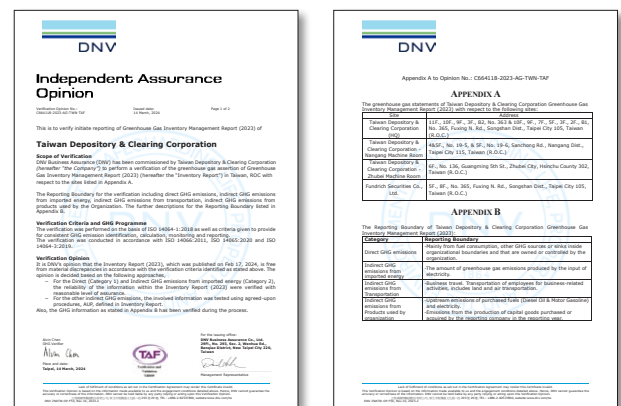
TDCC aims to communicate a green culture across the company, starting with every employee and implement the spirit of environmental protection and energy saving. All actions can be connected to the idea of low carbon emission, and this establishes a benchmark for sustainable corporate image.

Greenhouse Gas Inventory

TDCC and FundRich conducted a greenhouse gas inventory for the year 2023 in accordance with ISO 14064-1:2018 standards. The inventory was verified by DNV International Verification Company. This achievement not only sets a standard for TDCC's future energy conservation and carbon reduction efforts but also positions TDCC as the first entity in Taiwan's securities and futures industry to successfully complete this task. It demonstrates our commitment to fulfilling corporate social responsibility and our unwavering dedication to promoting energy conservation and carbon reduction. The operational scope of TDCC and FundRich covers three areas, namely the office space in the Hongya Building, the Nangang data center, and the Zhubei data center. Going forward, our Company is dedicated to decreasing greenhouse gas emissions by renovating data centers and implementing Energy Management Systems. These initiatives aim to improve our operations and effectively reduce our overall carbon footprint. In 2023, the Sustainable Development Committee approved the goal of achieving "net-zero emissions for Scope 1 and 2 by 2030." By implementing concrete work plans and ensuring their execution, the company demonstrates its commitment to carbon reduction and sustainable development. The related carbon reduction measures include:

- ◆ Category 1: Direct Oil Use – Planning to replace conventional vehicles with electric vehicles in the future.
- ◆ Category 2: Purchased Electricity - Implementing energy-saving measures in office areas to reduce lighting equipment usage, raising the temperature setting by 3 degrees in data centers and relay rooms, and purchasing green energy. In August 2023, the Hongya Building began transitioning to green electricity. Plans are also in place to expand the purchase of green electricity for other offices and data centers.

By implementing Category 3, Employee Business Travel, and Category 4, Capital Goods, Fuel and Energy-related Activities, we can indirectly quantify greenhouse gas emissions. This approach provides insights into the sources and volumes of greenhouse gas emissions beyond our direct control. It also helps us evaluate the impact of global warming within our value chain and supports climate-related financial impact assessments in line with TCFD guidelines. These measures enable us to manage our actions effectively, exert influence, and expand our commitment to carbon reduction, collectively working towards climate change mitigation.



▲ Statement of Greenhouse Gas Inventory

TDCC and Fundrich's Greenhouse Gas Emissions in the Past Three Years

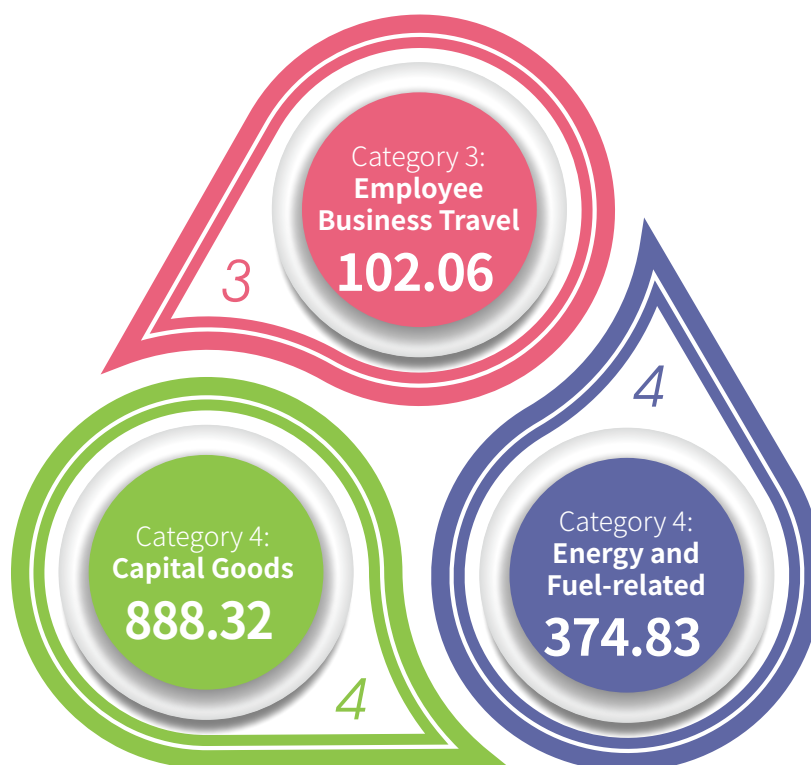
Unit: tCO ₂ e/year	2023
Category 1	20.05
Category 2	1,871.48
Category 3	102.06
Category 4	1,263.15
Total	3,256.74

Note 1. The Global Warming Potential (GWP) is based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (2023).

Note 2. The Company utilizes the latest data published by the Ministry of Environment to calculate greenhouse gas emissions. These data are employed for conducting greenhouse gas inventory operations in Taiwan. In the absence of an announcement from the Energy Administration regarding the emission factor for electricity in 2023 during the statistical period, the Company has applied the emission factor of 0.495 kgCO₂e/kWh for the year 2022. However, for subsequent years, the emission factors will follow the data announced during those respective periods.

Note 3. The greenhouse gases emitted after TDCC's inventory include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFCs). It also includes biogenic carbon dioxide emissions of 0 tCO₂e/year.

TDCC and Fundrich's Greenhouse Gas Emissions for Category 3 and Category 4



Note 1. The assessment of activities follows the guidelines set forth in the World Business Council for Sustainable Development's (WBCSD) publication, Technical Guidance for Calculating Scope 3 Emissions. This methodology involves converting mileage data from travel documents and applying relevant emission factors for various transportation modes.

Note 2. Note: The calculation method for Category 2: Capital Goods adheres to the guidelines presented in the WBCSD publication Technical Guidance for Calculating Scope 3 Emissions. The data used for this calculation is sourced from the procurement system.

Note 3. The calculation method utilizes energy consumption data for electricity to assess the emissions for Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2 aligns with the guidelines presented in the WBCSD publication Technical Guidance for Calculating Scope 3 Emissions.

Greenhouse Gas Emissions by TDCC and Fundrich (By Location)

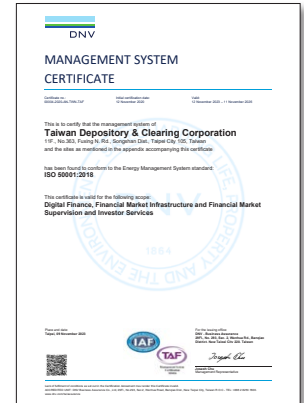
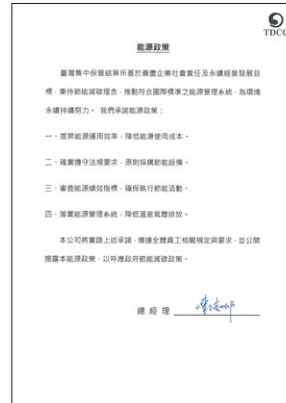
Category:	Category 1				Category 2	Total Emissions (tCO ₂ e/year)
2023 Emission Types:	Stationary Combustion Emissions	Mobile Combustion Emissions	Process Emissions	Fugitive Emissions	Indirect Energy Emissions	
Hongya Building	0.00	18.52	0.00	0.00	362.94	381.46
Nangang Office and Data Center	1.40	0.00	0.00	0.00	1,138.14	1,139.54
Backup Data Center	0.00	0.00	0.00	0.13	370.40	370.53
Total Emissions by Respective Category:	1.40	18.52	0.00	0.13	1,871.48	1,891.53
Percentage of Category 1 and Category 2 Emissions to Total Emissions	1.06%				98.94%	100.00%

Energy Management System:

In November 2023, we once again obtained ISO 50001 Energy Management System certification. The Company's energy policy, signed by the General Manager, designates a dedicated unit responsible for energy management within the organization. This unit encompasses the management of high-energy-consuming data center equipment. Through thorough energy audits, a baseline is established, allowing each responsible unit to identify areas for improvement and plan future enhancement opportunities.

TDCC holds the distinction of being the first financial institution to implement an Energy Management System. Unlike greenhouse gas inventory, which is considered a passive disclosure, the Energy Management System takes a proactive approach towards effectively managing energy consumption and promoting energy efficiency within the organization. While TDCC may not be a major contributor to emissions within the industry, implementing systematic inventory, review, and continuous improvement measures can lead to increased opportunities for enhancing energy efficiency. This, in turn, will foster the development of a corporate culture that is environmentally friendly, sustainable, and green.

The Company conducted a questionnaire survey among stakeholders (as mentioned in section 2.1 on stakeholders) and identified stable power supply, energy-saving measures for the data center, and air conditioning as the primary energy concerns raised by stakeholders. These findings are consistent with the results obtained from the Company's energy audit. Based on the energy audit, the Company has determined that air conditioning electricity is the primary energy source for the Hongya Building, while the Nangang Office/Data Center and Zhubei Data Center heavily rely on energy consumption from information technology equipment within the data centers. This audit outcome not only confirms the findings from the stakeholder survey but also aligns with the usage patterns at each operational site. In view of these findings, the Company will develop energy-saving action plans, conduct annual reviews of their implementation, and consistently work towards achieving the established energy-saving targets.



Green Operations Management

TDCC implements a wide range of innovative and sustainable measures to minimize its environmental footprint.

ESG Investments

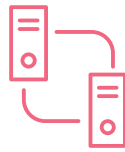
As part of its sustainable development strategy and goal of achieving net-zero carbon emissions and sustainable transformation, TDCC has announced its intention to invest in sustainable development bonds in 2024. These investments will follow the guidelines set by the Taipei Exchange for sustainable development bonds and will be considered qualified and recognized investment opportunities. Through these investments, the Company aims to promote environmental protection and social development.

Green Data Centers

As a result of its reliance on information systems and server back-offices, TDCC experiences significant energy consumption in the form of power usage by computer hosts and other equipment. The Company has implemented a Green Data Center Transformation project, which began in 2020. The project involves replacing outdated electrical equipment and establishing a power system that complies with Tier 3 standards for data centers. The objective of this initiative is to improve the energy efficiency of data center equipment, reduce operational expenses, and make substantial contributions to energy conservation and carbon reduction efforts. The transformation of the data center, accomplished by improving the power system circuit, segregating hot and cold aisles, upgrading network cabling and air conditioning efficiency, and consolidating data center space and equipment units to optimize utilization, can provide the following advantages:

Reliability and stability

The power system features mutual redundancy, enabling the concurrent replacement of high and low voltage equipment.



Flexibility and adaptability

The network cabling system and underfloor wiring are reset to improve air conditioning efficiency and accommodate future growth in cabinet capacity.



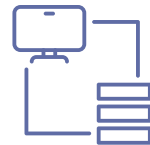
Sustainable management

The data center space and cabling can accommodate future growth, and the monitoring and management of air conditioning and environmental control systems are assured.



Security and integrity

The network cabling system and underfloor wiring are reset to improve air conditioning efficiency and accommodate future growth in cabinet capacity.






Green Procurement

To support TDCC's low-carbon initiatives, our Company places continuous emphasis on procuring environmentally certified products internally. This includes a range of equipment such as air conditioners, dehumidifiers, refrigerators, printers, paper, and office supplies. Furthermore, our energy policy prioritizes the procurement of energy-efficient equipment, with a specific focus on enhancing energy utilization efficiency.




Reducing Internal Resource Impacts

- ◆ We have enhanced our internal operational management processes through several measures, including the digitization of document systems, financial systems, personnel systems, and report media inventory systems, facilitating online operations.
- ◆ Meeting materials are distributed electronically, and participants can access meeting information through iPads using the EIP website.
- ◆ We have implemented internal digitization projects to enhance our business and administrative operations, integrating them with external digitization efforts. As a result, we have achieved improved business accuracy and operational efficiency. Key aspects of these projects include:
 - Paperless online operations
 - Automated system processing
 - Form generation automation
 - Establishment of a database platform
 - Streamlining cross-departmental workflows
- ◆ We have replaced official vehicles with hybrid vehicles to increase the use of low-carbon energy and reduce air pollution.
- ◆ All offices have transitioned to using T5 fluorescent lamps, accompanied by adjusted power circuits and clearly labeled lighting switches indicating their respective purposes. This enables selective power shutdown in specific areas, thereby enhancing overall electricity efficiency within the office environment.
- ◆ To optimize asset utilization within the Company, we have implemented a revitalization process for idle or scrapped assets. These assets are offered for employee bidding through our platform. Any remaining assets after the bidding process are repurchased by qualified vendors, ensuring their continued use and minimizing waste.

Carbon Reduction Benefits through Providing Market Digital Services

Operational Project	 Annual Carbon Emissions (tCO ₂ e)	 Annual Carbon Sequestration by Trees	 Annual Carbon Sequestration Capacity of Da'an Forest Park (in units)
ePassbook App	5,733	477,750	80
eBill	1,059	88,250	15
e-SMART	1,000	83,333	14
eSecurity	917	76,417	13
Financial Heritage Information Single Window	725	60,417	10
eNotice	708	59,000	10
Total	10,142	845,167	142

Field descriptions and data sources are provided in the following table:

	<ul style="list-style-type: none"> Estimated Carbon Emissions (tCO₂e) for the Item Please refer to Table of Carbon Emission Operation Quantity/Reference Coefficients
	<ul style="list-style-type: none"> Estimated Number of Trees Equivalent to the item (One tree can absorb an average of 12 kilograms of carbon dioxide per year) Forestry Bureau (451315533771.pdf (menlosecurity.com)) President's Remarks at the 2014 Zhongzhong Memorial Tree-Planting Event
	<ul style="list-style-type: none"> Estimated Number of Da'an Forest Parks Equivalent to the item (The Da'an Forest Park has over 6,000 trees, and according to the Forestry Bureau, each tree can absorb an average of 12 kilograms of carbon dioxide per year) Parks and Street Lights Office, Public Works Department, Taipei City Government (https://pkl.gov.taipei/News_Content.aspx?n=43E05059FCC72525&s=2FAA288D30F7BF77)

Happy Workplace

- 5.1 Human Resources
- 5.2 Talent Development
- 5.3 Employee Remuneration and Benefits
- 5.4 Occupational Health and Safety

The Company recognizes that employees are its foundation, and at TDCC, talent capital is deemed the most critical mission. To achieve our sustainable vision, adopt innovative technologies, and diversify our business, we have implemented a comprehensive system for talent recruitment, utilization, development, and retention. We are dedicated to creating a harmonious and fulfilling work environment through capacity building, rights protection, and work-life balance.

Happy Workplace 2023	
NT\$24,830	✓ The Company's average cost of training per employee is NT\$24,830.
36.29 hours	✓ The average training duration per employee is 36.29 hours.
421 cases	✓ We provided subsidies for 421 health check-ups throughout the year, with a total subsidy of NT\$8,274,000 in 2023.
NT\$100,000	✓ This year, a childbirth bonus of NT\$100,000 per child was provided to parents.
0 violations of regulations	✓ No violations of any labor or human rights-related regulations or penalties.
4	✓ 4 labor-management meetings

5.1

Human Resources

TDCC's Talent Composition and Structure

TDCC strives to promote multiculturalism and care for the disadvantaged. The company prioritizes the recruitment of local talent in compliance with laws and regulations, while also ensuring the employment of a certain number of individuals with disabilities. As of the end of 2023, TDCC had a total of 513 full-time employees and 16 part-time employees, amounting to a total of 529 employees.

Employee Structure of 2023

Category	Male	Female	Total
Full-Time Employees (Domestic)	281	232	513
Non-Regular Employees (Domestic)	13	3	16
Total	294	235	529

Note 1. Among the full-time employees, there are 9 employees with disabilities, and no employees from indigenous backgrounds.

Note 2. Taiwan Stock Museum also hires part-timers as tour guides. However, since their numbers and working hours are not fixed, they are not included in the table.

Note 3. Full-time employees include permanent and regular employees with full-time status. There are no temporary, no guaranteed hours, or part-time employees included in this category.

Note 4. Non-regular employees refers to workers who are not considered as regular employees. They may include drivers, security personnel, and general office assistants employed through staffing agencies.

Gender and Age Structure of TDCC's Employees in 2023

Age Group	Under 30 years old	31-50	51 years old and over
Full-Time Employees	38	211	264
Full-time employees	10	6	0
Total	48	217	264

The company embraces a diverse and inclusive approach, recruiting employees from various educational systems and backgrounds. Colleagues possess industry-relevant expertise and skills, and their positions are assigned based on their experience, background, and seniority. The educational background and job categories of TDCC's employees are as follows:

Educational Background Structure of TDCC's Employees in 2023

Category	Section	Male		Female	
		Number of People	Percentage	Number of People	Percentage
Education Background	High School or Below	5	0.98%	16	3.12%
	Associate's Degree	31	6.04%	53	10.33%
	Bachelor's Degree	106	20.66%	73	14.23%
	Master's Degree	138	26.90%	90	17.54%
	Doctoral Degree	1	0.20%	0	0.00%

Note: Full-time employees only

TDCC Job Structure, 2023

Item	Management	Non-management	Total
Full-time employees	19	494	513
Full-time employees	0	16	16
Total	19	510	529

Note: Management positions refers to executives and department heads.

2023 TDCC New Employee Numbers and New Hire Rate

Category Age Group	New Employees							
	Male	Female	Number of New Employees	Total Number of Employees	New Employees Ratio (%)	Number of Employees at the Beginning of the Year	Number of Employees at the End of the Year	New Hire Rate (%)
Under 30 years old	4	2	6	38	15.79%	42	38	15.00%
31-50	9	3	12	211	5.69%	208	211	5.72%
Over 51 years old	1	0	1	264	0.38%	260	264	0.38%
Total	14	5	19	513	3.70%	510	513	3.71%

Note 1. Full-time employees only(including the Chairman)

Note 2. New Employees Ratio = Total number of new employees/Total number of employees

Note 3. New hire Rate = Number of new employees during the year/[(Number of employees at the beginning of the year + Number of employees at the end of the year)/2]

2023 TDCC Employee Departures and Turnover Rate

Category Age Group	Employee Departure Statistics							
	Male	Female	Employee Departures	Total Number of Employees	Turnover Rate (%)	Number of Employees at the Beginning of the Year	Number of Employees at the End of the Year	Turnover Rate
Under 30 years old	1	0	1	38	2.63%	42	38	2.50%
31-50	4	3	7	211	3.32%	208	211	3.34%
Over 51 years old	5	3	8	264	3.03%	260	264	3.05%
Total	10	6	16	513	3.12%	510	513	3.13%

Note 1. Full-time employees only

Note 2. Employee Attrition Rate = Total number of employees who left/Total number of employees

Note 3. Employee Turnover Rate = Number of employees who left during the year/[(Number of employees at the beginning of the year + Number of employees at the end of the year)/2]

Human Resources Status at FundRich

The human resources status at FundRich is as follows:

Employee Structure, 2023

Category	Male	Female	Total
Full-Time Employees (Domestic)	34	36	70
Non-Regular Employees (Domestic)	0	0	0
Total	34	36	70

Note 1. FundRich does not have employees with disabilities or employees from indigenous backgrounds.

Note 2. Full-time employees at FundRich include permanent and regular employees. There are no temporary, no guaranteed hours, or part-time employees included in this category.

Note 3. Non-regular employees at FundRich are workers who are not officially employed. This includes individuals hired through temporary staffing agencies, including janitorial staff.

Gender and Age Structure of FundRich's Employees, 2023

Age Group	Under 30 years old	31-50	Over 51 years old
Full-time employees	19	44	7
Full-time employees	0	0	0
Total	19	44	7

Educational Background of FundRich's Employees, 2023

Category	Age Group	Male		Female	
		Number of People	Ratio	Number of People	Ratio
Education Background:	High School or Below	0	0%	0	0%
	Associate's or Bachelor's Degree	25	36%	31	44%
	Master's Degree	9	13%	5	7%
	Doctoral Degree	0	0%	0	0%

Note: Full-time employees only

FundRich Job Structure, 2023

Item	Management	Non-management	Total
Full-time employees	6	64	70
Full-time employees	0	0	0
Total	6	64	70

Note: Management Positions refers to executives and department heads.

2023 FundRich New Employee Numbers and New Hire Rate

Category Age Group	New Employee							
	Male	Female	New Employee Number of People	Employee Number of People	New Employee Ratio (%)	Number of employees at the beginning of the year	Number of employees at the end of the year	New Hire Rate (%)
Under 30 years old	1	4	5	19	7.14%	13	19	31.25%
30-50	5	4	9	44	12.86%	44	44	20.45%
Over 50 years old	0	1	1	7	1.43%	9	7	12.50%
Total	6	9	15	70	21.43%	66	70	22.06%

Note 1. Full-time employees only

Note 2. New Employees Ratio = Total number of new employees/Total number of employees

Note 3. New hire Rate = Number of new employees during the year/[(Number of employees at the beginning of the year + Number of employees at the end of the year)/2]

2023 FundRich Employee Departures and Turnover Rate

Category Age Group	Employee Departure Statistics							
	Male	Female	Total Turnover Number of People	Employee Number of People	Departing Employees Ratio (%)	Number of Employees at the Beginning of the Year	Number of Employees at the End of the Year	Turnover Rate
Under 30 years old	1	2	3	19	4.29%	13	19	18.75%
31-50	4	1	5	44	7.14%	44	44	11.36%
Over 51 years old	0	3	3	7	4.29%	9	7	37.50%
Total	5	6	11	70	15.71%	66	70	16.18%

Note 1. Full-time employees only

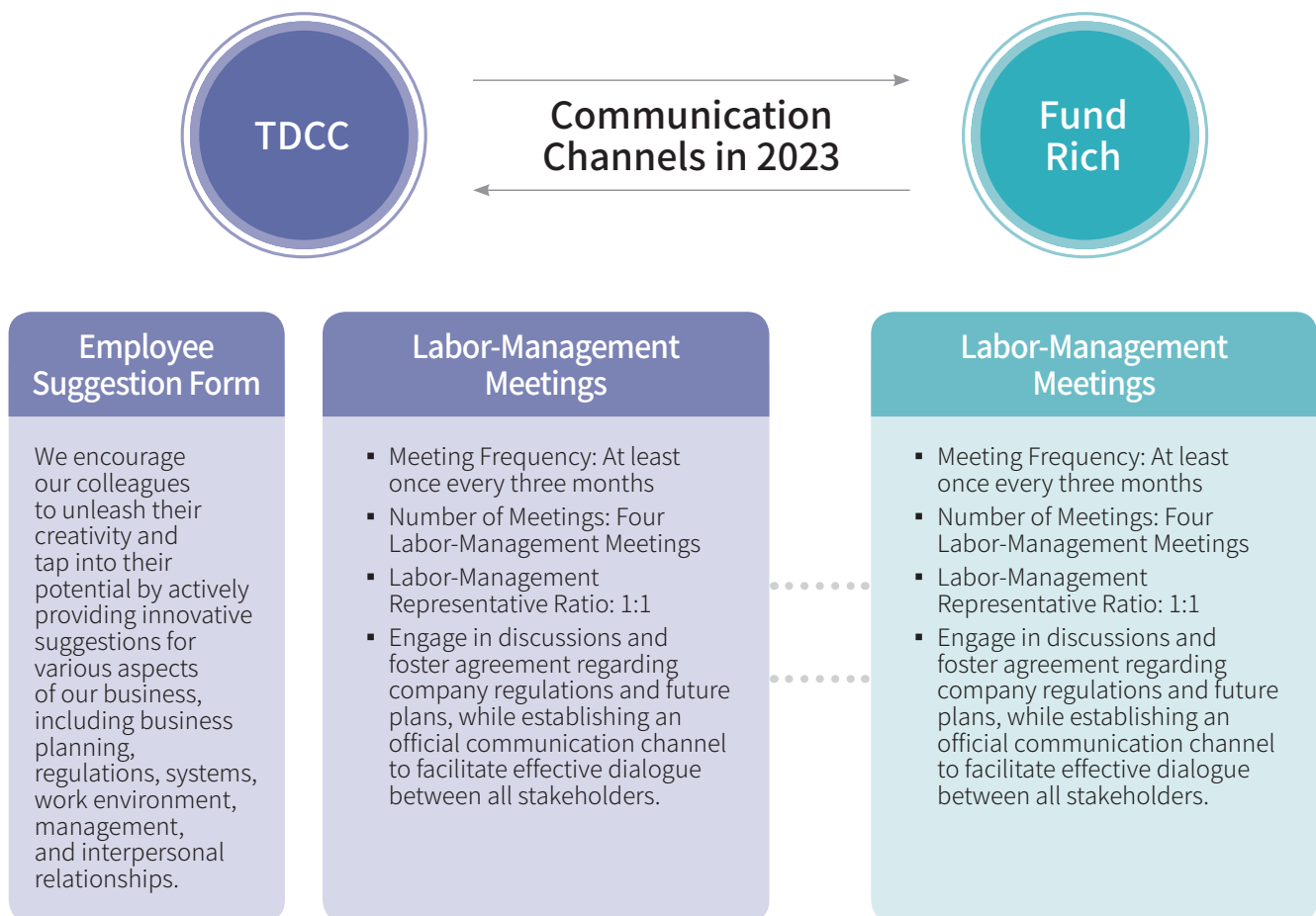
Note 2. Employee Attrition Rate = Total number of employees who left/Total number of employees

Note 3. Employee Turnover Rate = Number of employees who left during the year/[(Number of employees at the beginning of the year + Number of employees at the end of the year)/2]

Labor-Management Communication

● TDCC

At our company, we consider employees to be valuable work partners and an essential stakeholder group. We prioritize establishing effective communication channels with our employees, similar to that of a family. Through regular labor-management meetings, employee suggestions, and one-on-one discussions, we ensure open lines of communication and actively listen to our employees' voices. We continuously monitor their work progress and strive to provide a diverse range of communication channels. Together, we aim to create a friendly work environment where everyone can thrive.



5.2

Talent Development

To ensure that we stay at the forefront of the financial digital technology industry, TDCC and FundRich are actively recruiting top talent from various fields. We are committed to providing the market and society with innovative, creative, and convenient services. Simultaneously, we are dedicated to the training and education of our employees, ensuring their skills and knowledge are continuously updated to thrive in the digital finance era. By doing so, we empower our staff to stay at the forefront of the digital financial wave.

Employee Training

To support the diversified development of various departments and provide increasingly innovative and convenient services, the Company not only organizes internal training programs and sends employees for external training, but also recognizes the growing importance of information security and network protection training in the digital finance industry. As such, the Company has engaged professional organizations to deliver specialized courses on topics such as personal information certification, personal data protection, cybersecurity awareness, hacker attacks, trend analysis, and other skill-based training. These initiatives aim to enhance the ability of all employees to identify and respond to information attacks. Additionally, we organize a variety of other courses, such as fire safety seminars, Introduction to ISO Standard Courses, and anti-money laundering programs.

We provide our employees with diverse learning channels, including physical educational training courses and an e-Training digital learning platform. The digital learning platform serves not only as educational training materials for stakeholders but also as a promotional platform for the Company's business. Internally, it leverages our digital expertise to enhance operational efficiency and maximize learning effectiveness while promoting resource conservation.

In 2023, the Company will offer various types of training courses with the following durations:

2023 TDCC Employee Training Schedule

Employee Training	Number of Trainees	Number of Training Sessions	Total Training Hours
In-person Classes	7,087	958	17,870
Online Classes	1,073	83	744.5
Total Number of Training Hours	18,614.5		
Total Training Expenses	12,737,694		

Note 1. Full-time employees only

Note 2. Including labor safety education and training.

In 2023, TDCC employed a total of 513 full-time employees, with an average training duration of 36.29 hours per person. Our Company is committed to continuously enhancing the skills and knowledge related to daily business operations and development. We organize a variety of courses to strengthen our colleagues' abilities in areas such as legal compliance, language proficiency, and management. The following is a breakdown of the in-person training courses, including the duration and number of participants:

Course	Number of Trainees	Number of Sessions	Training Hours
Information Technology Specialization	472	19	1,471
Digital Technology and Sustainable Operations	791	49	1,856
Regulatory Compliance	1,358	31	4,467
Professional Certifications	7	7	243
New Recruit Training	36	2	54
Paper Presentations	880	12	2,734.5
CIP and the Financial Industry	2,130	55	2,716.5
Thoughts on Learning Achievements:	115	3	168.5
Others	1,218	30	1,921.5
English Classes	80	750	2,238

Note 1. Full-time employees only

Note 2. The labor safety and education training courses are accounted for separately from other courses. For comprehensive details on these courses, kindly refer to Section 5.4 on Employee Health and Safety.

● FundRich

2023 FundRich Employee Training Schedule

Employee Training	Number of Trainees	Number of Training Sessions	Total Training Hours
Courses	671	85	2,728
Total Training Expenses	897,316		

In 2023, FundRich employed a total of 70 full-time employees, with an average training duration of 38.97 hours per person. Our Company is committed to continuously enhancing the skills and knowledge related to daily business operations and development. The following is a breakdown of the in-person training courses, including the duration and number of participants:

Category	Name of Course	Number of Trainees	Number of Training Sessions	Number of Training Hours
Professional Courses	In-Service Training for Securities Business Personnel	57	57	280.5
	Pre-Job Training for Securities Business Personnel	2	2	24
	Anti-Money Laundering and Counter-Terrorist Financing Qualification and Retraining	5	5	54
	ISO/IEC 27001 Lead Auditor Certification	1	1	40
	Network Infrastructure and Network Services	3	3	119
	SQL Database Security Practical Training	1	1	12
	Website Traffic Analysis	2	2	96
	In-Service Training for Information Security Personnel	3	3	45

Category	Name of Course	Number of Trainees	Number of Training Sessions	Number of Training Hours
General Education Courses	Introduction to ISO 27001:2022 Standards	56	1	112
	Website Revamp and Rakuten Bank Introduction	49	1	73.5
	Departmental Business Sharing	162	3	488
	Information Security Awareness Training	197	3	788
	Anti-Money Laundering and Counter-Terrorist Financing Education and Training	67	1	134
Mind-Body-Spirit Wellness Courses	Sapphire Spring Secret Spot on Yangmingshan	66	2	462

Note: Full-time employees only

5.3

Employee Remuneration and Benefits

TDCC has consistently provided a salary system and employee benefits that exceed regulatory standards to acknowledge the enduring commitment and contributions of our staff. This strategy bolsters our competitiveness and draws exceptional talent from external channels, thereby cultivating boundless potential for TDCC's future growth. TDCC regards its employees as partners and family, providing them with competitive salary packages, diverse benefits, a friendly and well-structured work environment, and a sustainable care system that promotes inclusivity and compassion. We endeavor to ensure that every day at TDCC is enjoyable for our colleagues. Additionally, our Company aims to have a positive impact on society by promoting this mindset and enhancing workplace care and welfare throughout the business community.

Remuneration Policy

Talent is fundamental to any organization, and TDCC recognizes this by implementing a fair, rational, and competitive salary system. Our salary evaluations are based on individual educational qualifications and job grades, following a transparent and open process. This approach not only helps us attract top-tier talent but also demonstrates our commitment to setting an example and fulfilling our corporate responsibility to provide care and support. At TDCC, there is no disparity in salaries based on gender for employees at different levels. The gender pay ratio is 1:1, demonstrating our commitment to promoting gender equality in the workplace.

As per TDCC's personnel management regulations, the retirement pension system functions by deducting a portion of employees' monthly salaries and allocating it to individual savings, shared savings, and collective savings, proportionate to their respective amounts. The allocations are subsequently computed based on the length of service.

At our company, we employ both full-time dispatched drivers and temporary interns, providing them with compensation that surpasses the minimum basic wage in Taiwan. The benefits provided to TDCC employees may differ from those offered to regular employees. Along with statutory special leave, labor insurance, and labor retirement fund contributions, these employees receive additional benefits such as:

1

Dispatched drivers:
Group insurance coverage and bonuses during the three major festivals.

2

Temporary interns:
Group insurance coverage and additional scholarships if eligible.

Equal Rights in the Workplace

In addition to attaining gender pay parity, our Company places great importance on gender equality and mutual respect in the workplace. We have implemented the Measures for Prevention, Complaint, and Disciplinary Actions against Workplace Sexual Harassment, which comprise various provisions. We have established reporting channels for workplace sexual harassment, including dedicated hotlines, fax numbers, and email addresses. Moreover, we prominently display pertinent information regarding these measures in conspicuous locations within the workplace. Additionally, we have established a Workplace Sexual Harassment Complaint Handling Committee, comprising representatives from both company and employees, responsible for addressing cases of workplace sexual harassment.

Benefits for Full-Time Employees

In addition to adhering to legal regulations regarding group insurance, statutory leave, and retirement or severance benefits, TDCC places considerable emphasis on enhancing the work-life quality of its employees. Hence, our Company, in collaboration with the Company Welfare Committee, provides a comprehensive array of bonuses, medical insurance coverage, and welfare benefits to augment the holistic welfare of our employees.

Jubilant Life at TDCC and TDCC Family

- ◆ Marriage subsidy of NT\$12,000: 12 times.
- ◆ Maternity incentives and assistance: 8 instances of maternity incentives and 10 instances of maternity assistance.
- ◆ Pre-school childcare allowance: Subsidy for children under 5 years old: 110 people.
- ◆ Childcare allowance subsidy (for children under 12 years old, a subsidy is provided every six months): 274 people.
- ◆ Children's education subsidy (awarded based on the student's enrollment status): 429 people.
- ◆ We have established nursing rooms within the office building to encourage breastfeeding and promote the health of infants and young children.
- ◆ Funeral assistance (including parents, spouse, and children): 18 individuals.
- ◆ Medical subsidy for employee and dependents' hospitalization: 12 employees and 31 dependents.
- ◆ Employee hospital visitation: Fruit gift boxes have been provided to a total of 28 individuals during their hospital stay.
- ◆ Severance allowance: A maximum of three months' worth of severance allowance has been granted to a total of 9 individuals.
- ◆ Year-end bonus, employee compensation, three major festivals bonuses, and Lunar New Year gifts.
- ◆ Birthday cash gift, employee self-enrichment activities, and health check-ups.
- ◆ Preferred partnerships offering special discounts: Various types of vendors, including restaurants, hotels, stores, and postpartum care centers.

Maternity/paternity leave without pay

In compliance with legal regulations, TDCC has established a mechanism for unpaid maternity/paternity leave. The conditions for returning to work are as follows:

Item	Male	Female	Total
Number of Applicants for Unpaid Parental Leave in 2023	0	2	2
Estimated Number of Employee Resuming to Work in 2023	0	2	2
Actual Number of Employees Who Resumed Work in 2023	0	2	2
Actual Number of Employees Who Resumed Work in 2022	1	2	3
Number of Employees Who Resumed Work in 2022 After Taking Leave Without Pay and Have Been Employed for Over One Year	1	2	3
Reemployment Rate	100%	100%	-
Retention Rate	100%	100%	-

Note 1. The actual number of employees who resumed work includes those who returned to work earlier than planned.

Note 2. The reemployment rate is calculated by dividing the actual number of employees who returned to work by the expected number of employees to return. The retention rate is calculated by dividing the number of employees who have been employed for over one year after returning to work by the actual number of employees who returned to work.

Note 3. Full-time employees only

FundRich has established a mechanism for unpaid maternity/paternity leave. The conditions for returning to work are as follows:

Item	Male	Female	Total
Number of Applicants for Unpaid Parental Leave in 2023	0	0	0
Estimated Number of Employee Resuming to Work in 2023	0	0	0
Actual Number of Employees Who Resumed Work in 2023	0	0	0
Actual Number of Employees Who Resumed Work in 2022	0	1	1
Number of Employees Who Resumed Work in 2022 After Taking Leave Without Pay and Have Been Employed for Over One Year	0	0	0
Reemployment Rate	100%	100%	-
Retention Rate	100%	100%	-

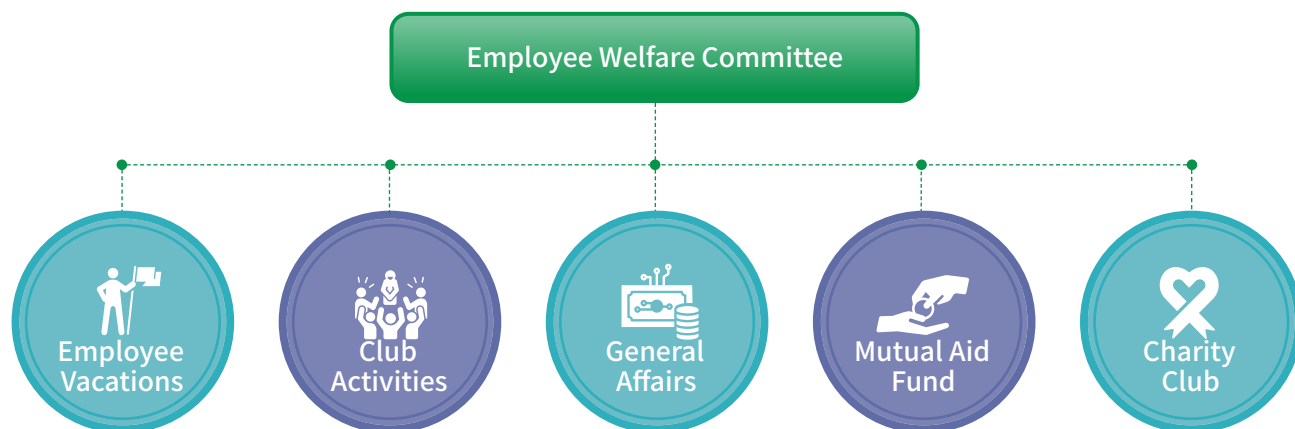
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Note 2. The reemployment rate is calculated by dividing the actual number of employees who returned to work by the expected number of employees to return. The retention rate is calculated by dividing the number of employees who have been employed for over one year after returning to work by the actual number of employees who returned to work.

Note 3. Full-time employees only

Employee Welfare Association

TDCC Welfare Committee is accountable for managing and supervising employee benefits to guarantee that colleagues receive comprehensive care and recognition from the Company. This cultivates a sense of loyalty and commitment to the Company, enabling employees to wholeheartedly devote themselves to their work while also enjoying life, attending to their families, and achieving personal fulfillment. The Welfare Committee holds quarterly meetings to discuss and plan employee trips, club activities, mutual aid funds, and charitable activities organized by the Caring Heart Club. These initiatives are funded by a designated proportion of the Company's monthly revenue. Once approved during the meetings, the committee executes the plans responsibly, ensuring the well-being of all colleagues. This approach provides a stable and conducive workplace environment for employees.



● Employee Empowerment and Team Building Trips

To encourage colleagues to strengthen friendships and relax amidst their busy work schedules, the Welfare Committee subsidizes the costs of domestic and international group tours and insurance fees annually. Past travel destinations have included various counties and offshore islands within the country, as well as international locations such as Hong Kong, Macau, Japan, South Korea, Thailand, and several European regions, including Portugal, Switzerland, and Italy. These trips allow employees to thoroughly enjoy their vacations, relax their minds and bodies, and unwind.

● Club Activities

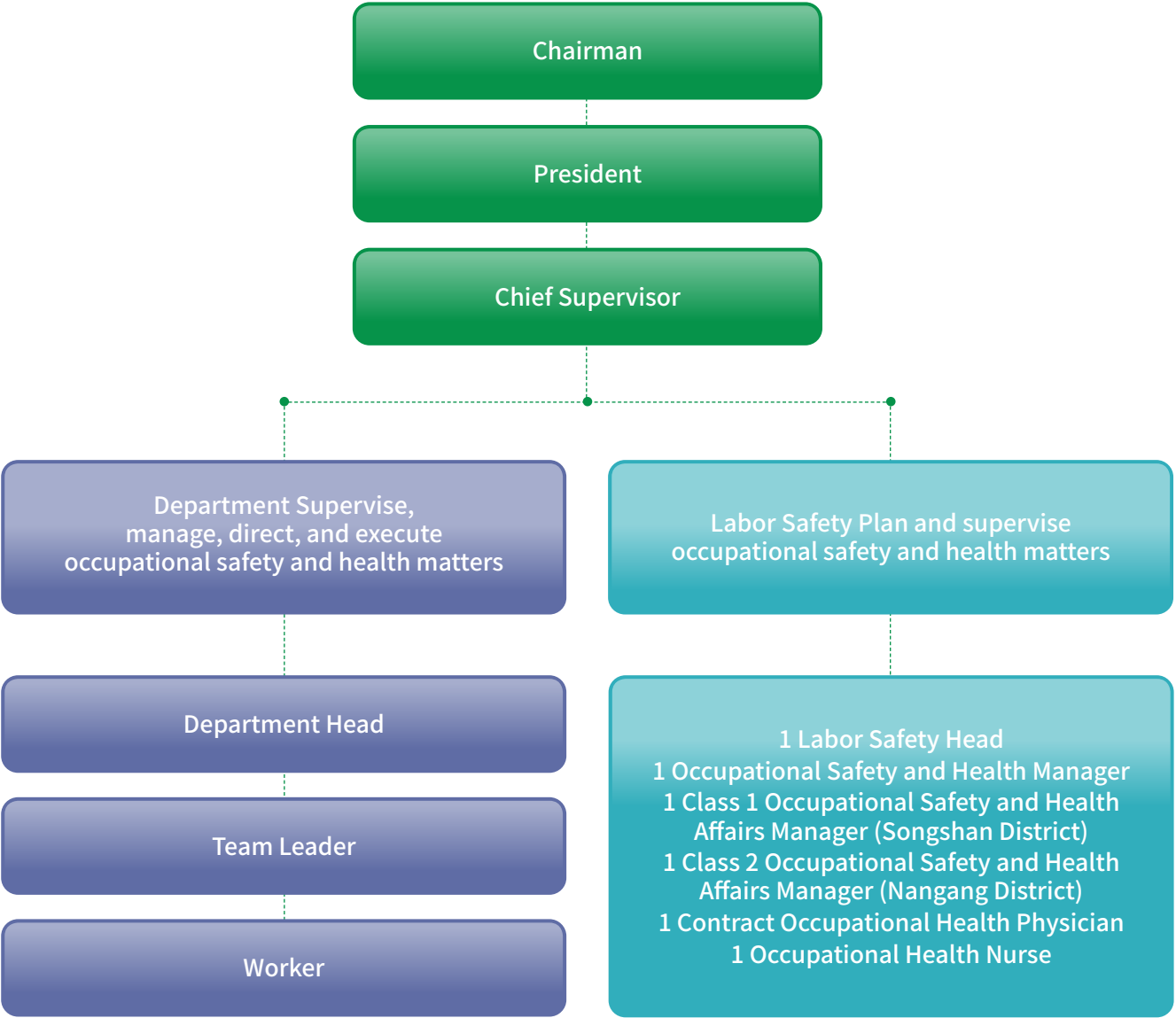
To encourage colleagues to strengthen their friendships and relax amidst their busy work schedules, the Welfare Committee subsidizes the costs of domestic and international group tours and insurance fees every year. Past travel destinations have included various counties and offshore islands within the country, as well as international locations such as Hong Kong, Macau, Japan, South Korea, Thailand, and other Asian countries. European destinations have included Portugal, Switzerland, and Italy. These trips allow employees to thoroughly enjoy their vacations, relax their minds and bodies, and unwind.

5.4 Occupational Health and Safety

TDCC is dedicated to promoting workplace safety and health enhancement beyond mere compliance with occupational health and safety regulations. This commitment involves organizing educational training programs, conducting awareness campaigns, and implementing timely recognition and incentives. The primary goal is to ensure that the principles of a friendly, safe, diverse, and equitable work environment are effectively communicated and implemented. Our aim is to provide our colleagues with a comprehensive and sustainable workplace environment that fosters both their physical and mental well-being. In 2023, both TDCC and FundRich had a clean record with no work-related incidents.

To safeguard the health and safety of its employees, FundRich provides annual health check-ups for each employee, exceeding regulatory requirements. This benefit aims to facilitate early detection and treatment of potential health issues. In accordance with Article 34 of the Occupational Safety and Health Act, FundRich has established safety and health work guidelines to maintain and enhance employee health and safety through comprehensive measures and methods. In 2023, FundRich reported zero workplace injuries.

Organizational Chart of Occupational Health and Safety at TDCC



Occupational Safety and Health Management

Note: The content of this paragraph does not include any information from FundRich.

Plans for occupational safety and health management are as follows:

Project Name	Description
Occupational Safety and Health Management Principles	The Company has developed internal management procedures, guidelines, key points, and regulations pertaining to the management, direction, and supervision of personnel responsible for occupational health and safety at all levels of management. Additionally, an occupational health and safety organization has been established to effectively prevent occupational accidents and promote the safety and well-being of employees.
On-the-Job Safety and Health Principles	We define the scope of work regulations and establish systems to implement occupational health and safety practices, ensuring compliance with safety and health standards.
Occupational Safety and Health Management Plan	By implementing the PDCA (Plan-Do-Check-Act) management methodology, we aim to attain our occupational health and safety management objectives. We promptly take corrective and preventive measures, improve the efficiency of our occupational health and safety management, and reduce the incidence of occupational accidents.
Plan for Automated Safety and Health Checks	The Company conducts regular safety and health inspections to proactively identify unsafe and unhygienic factors. Necessary actions are taken to eliminate or control them, thereby preventing accidents from occurring.
Plan for Preventing Ergonomic Hazards	We have implemented preventive measures for employees who perform repetitive tasks to avoid the development of musculoskeletal disorders.
Plan for Preventing Diseases Caused by Abnormal Workload	We implement disease prevention measures for employees engaged in shift work, night shifts, and extended working hours to prevent illnesses caused by excessive workload.
Plan for Preventing Unlawful Incidents During the Execution of Duties	Appropriate preventive measures are implemented during the performance of duties to prevent violence, thereby reducing the potential for physical or psychological harm resulting from the actions of others.
Maternity Health Protection Plan	The Company prioritizes the physical and mental well-being of female employees throughout pregnancy, childbirth, and breastfeeding. We undertake various measures to safeguard maternal health, such as conducting hazard assessments, implementing controls, and managing maternal health protection in a graded manner.

In response to workplace emergencies, we conduct the following disaster prevention, disaster response, and first aid courses:

Category	Name of Course	Number of Trainees	Number of Training Sessions	Number of Training Hours
Training and Communication on Job Safety	General Safety Education and Training for New and Current Employees	204	4	12
	"Navigating Interpersonal Boundaries and Recognizing and Identifying Unlawful Workplace Harassment" (For Supervisors and Above)	110	3	6
	Health Seminars and Measures for Safeguarding the Physical and Mental Well-being of Employees	425	8	16
	On-the-Job Training for Occupational Health and Safety Manager	2	1	12
	First Aid Personnel Safety and Health Education Training (Initial Training)	20	5	60
	On-The-Job Training for First Aid Personnel (Refresher Training)	8	3	9
Disaster Prevention, Disaster Response, and Emergency First Aid	Fire Safety Course	76	2	2
	AED & CPR Training for All Employees	470	15	7.5

Note: Full-time employees only

Air Raid Evacuation Drill

To ensure that all employees are well-versed in air raid evacuation procedures and familiar with evacuation routes upon the issuance of an air raid warning, the company conducted a comprehensive air raid evacuation drill on June 9, 2023, following the air raid evacuation plan approved by the regulatory authorities. Subsequently, in conjunction with the annual "Wan An Drill," the second air raid evacuation drill of the year was conducted.

The 2023 air raid evacuation drills adhered to the regulatory requirements, including the setting of scenarios, the command operations of the protection team, the cooperation and coordination of various task groups, the distribution of equipment to each task group, and the evacuation routes and assembly points.

Health Promotion and Caring

- ◆ TDCC prioritizes the well-being of its employees. The Company has acquired Health Workplace Certification and AED HeartSafe Place Certification. Our facilities are equipped with 7 AEDs, 3 medical-grade blood pressure monitors with recording cards, and a dedicated health center staffed by full-time workplace nurses who adhere to regulations.
- ◆ In accordance with the Health Promotion Administration of the Ministry of Health and Welfare's initiative to promote the Healthy Workplace Certification mechanism, the Company has obtained the Health Promotion Mark and has conducted health promotion activities in compliance with Article 10 of the Labor Health Protection Regulations, Article 6 of the Occupational Safety and Health Act, and Article 8 of the Gender Equality Act.
- ◆ The workplace nurses at TDCC are the guardian angels of our work environment, wholeheartedly contributing to the health and safety of our colleagues. They adhere to the design principles of the Health Promotion Mark and collaborate with relevant departments.
- ◆ Annually, we provide our staff with health examination programs that surpass regulatory requirements. We administer surveys, including those for the four major plans under the Occupational Safety and Health Act, which cover questionnaires on physical and mental well-being and voluntary safety inspections of the workplace environment. Additionally, we organize diverse health seminars and informational campaigns to foster a robust sense of health consciousness among our colleagues in their daily routines. The health-themed events for 2023 are as follows:



Health-Themed Events	Month	Health Seminars	Number of People
Healthy Eating Series (Intestinal Health)	February	Intestinal Health, Physical and Mental Well-being.	38
Occupational Safety and Health Act Series (Preventing Overwork - Stress Relief)	April	Mindfulness Collage, Real Presentation - An Opportunity to Get Closer to Your True	46
Occupational Safety and Health Act Series (Workplace Harassment Prevention)	May	Workplace Interpersonal Relations: The Importance of Power Dynamics and Employee	102
Occupational Safety and Health Act Series (Human Factor Hazard Prevention Series)	July	Human Factors Lecture - Healthy Lifestyle Habits, Effective Pain Relief!	50
Health and Wellness Series (Exercise Health)	August	Avoid Metabolic Syndrome: The Battle for a Slim Waist and Toned Buttocks	33
Health and Wellness Series (Exercise Health)	October	Core Training X Ultra-Slow Running	32
Occupational Safety and Health Act Series (Preventing Overwork - Stress Relief)	November	Artistic Stress Relief - Handcrafted Spiritual Course	60
Healthy Eating Series (Chronic Disease Prevention)	December	Understanding Chronic Diseases (Cardiovascular Disease - Coronary Heart Disease)/Low-Temperature Health Care Tips	59

Note: Full-time employees only

The Company has implemented an Employee Assistance Program (EAP) to address the diverse needs of our colleagues, including career advancement, mental health, physical well-being, family affairs, and other issues. A toll-free hotline is available for psychological counseling services.

In 2023's initial service phase, the Company assisted a total of 93 individuals. The services provided included initial consultations, service inquiries, emotional support, follow-up care, resource referrals, management consultations, case discussions, and administrative services. In the second phase, we conducted 42 one-on-one counseling sessions, totaling 45 hours. The majority of these sessions focused on family and parenting, relationship issues, and legal consultations. Colleagues who availed of these services reported a satisfaction rate of 98.4%. In relation to family members, we recommend that if their presence adds to the stress experienced by our colleagues, they should consider accompanying their loved ones for shared psychological counseling. Prior to this, an evaluation by nurses or psychologists is necessary.

臺灣集中保管結算所 員工協助方案(EAP)

TDCC Taiwan Depository & Clearing Corporation

委由「社團法人新竹市生命線協會—員工協助服務中心」(簡稱EAPC)提供，
透過電話預約後，您可以選擇電話或面談方式進行諮詢。

同仁可享**每年6次每次60分鐘**的諮詢服務，費用將由公司負擔。

請同仁珍惜資源善加運用。

服務時間：週一至週五09:00~19:00(請先來電預約)

免付費諮詢專線：0800-668-880

服務信箱：eapc@eapcenter.org

「保密尊重」是我們專業的堅持 「全心服務」是我們不變的態度



您的大小事，就交由EAP來幫您

生涯諮詢

生涯工作、生涯再造
退休規劃、職涯發展

心理諮詢

身心壓力、家庭親子
人際關係、兩性情感

管理諮詢

轉介諮詢、危機處理
組織事件、悲傷議題

健康諮詢

身心保健、失眠
恐慌症、焦慮症

法律諮詢

債務糾紛、遺產繼承
交通事故、婚姻權益

財務諮詢

個人及家庭財務議題
稅務議題、財務盤點

一通電話、一封郵件，陪您一起擁抱心生活。

▲ EAPC provides counseling services across various domains, encompassing career development, mental health, management, physical well-being, legal affairs, finance, and interpersonal relationships.

2023 TDCC Employee Wellness Program



Healthy Weight Management Class Competition

To enhance knowledge of balanced nutrition and effectively prevent chronic diseases, 46 colleagues were selected based on the results of the InBody measurement device to participate in a 3-month program consisting of 6 nutrition courses and 26 physical fitness training sessions. The program also included healthy lunch boxes and various exercise support equipment. The total weight loss achieved was a remarkable 166.8 kg. Participants were awarded competition prizes and participation gifts to encourage their efforts.



Health Seminars by Experts

In adherence to the principles of personal health self-management and compliance with the Occupational Safety and Health Act, as well as addressing the well-being needs of our colleagues, the Company organized 8 sessions inviting professional speakers to educate our colleagues on health concepts. A total of 425 individuals participated in these sessions.



On-Site Physician Services

We identify high-risk colleagues for health screenings and arrange quarterly on-site physician consultations to facilitate effective follow-up and monitoring after their check-ups. In 2023, around 37 individuals received consultations from our on-site physicians.



Survey on Four Major Initiatives

Annually, we conduct surveys on work-related stress and psychosocial factors to evaluate the well-being of our employees. The results indicate that 10.5% of respondents are categorized as being in the medium to high-risk group for work-related stress. To further support our employees, in addition to the on-site physician services, we have decided to extend our assistance by providing 7 extra sessions of physician consultations. These consultations will offer our employees personalized health advice and guidance. For the 5 individuals identified in the ergonomic assessment, we have facilitated consultations with physicians and provided recommendations, such as physical therapy and other pertinent suggestions.



CPR+AED Education and Training for All Employees

In 2023, the Company conducted 15 in-person CPR+AED education and training sessions for all employees, with a total of 470 individuals participating. Additionally, the Company successfully completed the recertification process for the AED Safe Place application.



Influenza Vaccination Services

In compliance with our policies, the Company has organized one influenza vaccination sessions, providing both self-funded and government-funded options. These sessions resulted in approximately 169 individuals receiving the flu vaccine.

Social Inclusion

- 6.1 Social Charity for the Disadvantaged
- 6.2 Educational Charity
- 6.3 Cultural Charity
- 6.4 Sports Charity
- 6.5 Other Charity Endeavors

Social Inclusion

- ✓ In 2023, the total amount of charitable donations reached **NT\$239.9** million.
- ✓ The Taiwan Stock Museum had a total of **167,754** visitors.
- ✓ The Taiwan Securities and Futures Virtual Museum has accumulated a total of almost **200,000** visits.
- ✓ The blood donation event, which has been held for **14** consecutive years, has donated over **140,000** blood bags to the Taipei Blood Center. The cumulative amount of donated money has reached a staggering **NT\$12.32 million**, while the amount of blood collected has reached **700,00** c.c.

Deepening Care Initiatives in 2023.

- ✓ The “Community Care Hub Program” has donated to **97** community care hubs throughout Taiwan, totaling NT\$25million.
- ✓ A total of **NT\$38.47 million** has been allocated to promote education and sports activities in remote areas.
- ✓ A total of **NT\$48 million** has been donated to the Social Affairs Bureaus of nine counties, including Nantou, and the Education Bureaus/Sports Development Centers of seven counties, including Penghu, to support projects for disadvantaged groups and diverse education.

TDCC adheres to the philosophy of “taking from society, giving back to society” and places significant emphasis on the practical implementation of corporate social responsibility. The Company actively contributes to addressing societal needs and strives to fulfill its social mission and values. Our commitment to fostering sustainable development in both the financial industry and society is centered on four main areas: nurturing financial talent, advancing education in rural areas, supporting vulnerable populations, and sponsoring cultural activities. We remain dedicated to making a positive impact in five key areas: supporting vulnerable populations, educational initiatives, cultural initiatives, sports initiatives, and other charitable endeavors.

6.1

Social Charity for the Disadvantaged

As TDCC endeavors to achieve ongoing enhancement and transformative expansion in its primary operations, we also prioritize our long-term commitment to social welfare. Caring for and contributing to society are fundamental principles that TDCC highly esteems. In recent years, TDCC has been committed to creating an environment that is friendly to the elderly and supporting disadvantaged families and students. We encourage our employees to participate in activities organized by the Taiwan Fund for Children and Families (TFCF) to spread warmth and amplify the positive impact of our compassion.

Retirement Preparation Platform Project

In anticipation of the approaching super-aged society, and to equip the younger and middle-aged generations with the wisdom of aging gracefully, as well as to allow the elderly to enjoy the process of growing older with peace of mind, TDCC continues to support the “Retirement Preparation Platform” public welfare donation project. TDCC donated a total of 17 million NTD to the Eden Social Welfare Foundation, Hondao Senior Citizen’s Welfare Foundation, Old Five Old Foundation, and Mennonite Christian Hospital Foundation. This initiative aims to gradually create an elder-friendly social atmosphere and achieve the goal of generational integration.

Subsidizing (Donating to) Community Care Centers

Through resource infusion, TDCC hopes to support the government's local aging-in-place policy and convey a new mindset of elderly care to the entire society, making local elderly care a possibility. TDCC coordinated with the Ministry of Health and Welfare's Social and Family Affairs Administration to plan the "Public Welfare Donation Subsidy (Donation) for Community Care Centers" program. A total of 25 million NTD was donated to 97 community care centers, including the Caiyuan Community in Magong City, Penghu County.

The community care centers that received subsidies (donations) reported that the program improved the effectiveness of their activities, strengthened community autonomous operation models, and promoted social participation among the elderly. This initiative provides significant support in creating a sustainable, growing, and healthy community environment.

Local Government Assistance Program for Vulnerable Groups

Local governments in each city and county are proactively devising diverse social welfare initiatives to offer a more comprehensive range of services to various welfare populations, such as the elderly, individuals with disabilities, children, youth, and vulnerable families. The objective is to enhance the overall welfare of the populace. Within this framework, TDCC actively leverages the capabilities of civil society organizations to provide continuous assistance to local governments in strengthening the coordination of social welfare resources. By effectively allocating resources, TDCC aims to expand the range of services and enhance their capacity, ensuring that more vulnerable individuals receive support and improving the social welfare system to achieve the vision of an ideal welfare society.



▲ Chairman Lin, along with the team, participated in the Pingtung for a care visit

Yilan County Social Affairs Department	Supplementary services for the protection of the elderly and disabled \ Support subsidies for the care of disadvantaged elderly and disabled individuals \ Assistance for disadvantaged households unable to deposit savings into children's and youth future education and development accounts \ Enrichment of essential goods and equipment for the material bank
Nantou County Social Affairs Department	Application for subsidies for social welfare care and support services programs
Pingtung County Social Affairs Department	Social welfare-related programs
Miaoli County Social Affairs Department	Promotion of disadvantaged service programs
Keelung City Social Affairs Department	Warm and caring program for elderly care and support
Yunlin County Social Affairs Department	Assistance programs for protection cases
Chiayi City Social Affairs Department	Service programs for the elderly, disabled, and new residents
Changhua County Social Affairs Department	Social welfare service programs for children, youth, elderly, women, and disabled individuals
Penghu County Social Affairs Department	Welfare assistance program for disadvantaged individuals

Love in Financial Industry Food and Goods Banks for Vulnerable Groups

What we take for granted in our daily lives is a luxury for disadvantaged families. TDCC continues to participate in the "Finance with Love - Food Bank" initiative, contributing 12 million NTD in 2023. In collaboration with other financial industry peers, we aim to provide these underserved communities with better resources and extend our love and support to those in need.

The Ministry of Education's School Education Savings Account

TDCC donates 5 million NTD annually to participate in the "Finance with Love, Caring for Disadvantaged Students" campus public welfare donation initiative. This program, in collaboration with the stock exchange and seven other securities and financial units, aims to support economically disadvantaged students from high school and below through the "Ministry of Education's Education Savings Account." The funds assist with school-related needs such as meal costs, after-school tutoring, transportation, accommodation, and tuition fees. In 2023, schools in 21 counties and cities across Taiwan were registered under this program, benefiting a total of 10,361 students.

Foundation for Families and Children's Train of Happiness

Since 2011, TDCC has annually organized the "Happiness Train" parent-child care activity in collaboration with various local family support centers. In 2023, the train brought love to Miaoli, donating 550,000 NTD to the Miaoli Family Support Center to host the "Young Miao Family - Brought Hope" winter warm-up carnival. At the event, TDCC set up a booth to promote financial knowledge, and TDCC volunteers interacted with families, sharing warm moments together.

Waiting Children's "Perfect Christmas, Thanks to You"

TDCC values every child's right to engage in age-appropriate, safe, and joyful play activities. Therefore, in collaboration with KGI Securities, TDCC supported the Waiting Children Social Welfare Association's "Perfect Christmas, Thanks to You" initiative. This included preparing small Christmas gifts for children in orphanages and helping Datong Orphanage replace outdated playground equipment, renewing the activity area for the children. This ensures that disadvantaged children can also enjoy a safe and happy childhood.

Sponsorship of Social Welfare Organizations and Disadvantaged Groups

Since 2015, TDCC has annually supported social welfare organizations in conjunction with the company's anniversary or charity sales events. TDCC donates to organizations serving disabled individuals, children with severe illnesses, and economically disadvantaged groups, thus broadening the scope of its charitable efforts. In 2023, TDCC donated 4.8 million NTD to 16 social welfare organizations and disadvantaged groups, with each unit receiving 300,000 NTD. The goal is to improve their quality of life and rekindle the light of hope in their lives.

6.2 Educational Charity

TDCC is dedicated to fostering well-rounded financial professionals for the nation. In light of the influence of digital financial trends and swift transformations in the global market, we proactively advance financial education and augment the financial acumen of the populace, with the goal of reducing wealth disparity and promoting a robust market development.

College Student Financial Employment Public Welfare Program

TDCC has a longstanding commitment to philanthropy. Our engagement with economically disadvantaged young students has revealed that academic achievement is the primary means of improving their family's financial situation. Unfortunately, the majority of students must work part-time to support their families or self-fund their tuition, which adversely affects their academic performance and future career prospects. In 2015, TDCC partnered with financial, securities, and futures institutions to create the College Student Financial Employment Philanthropy Program. This program aims to provide economically disadvantaged college students with professional financial training courses. The Company offers guidance and support for obtaining professional certifications to enhance their employability. Upon completion of the program, the Company also assists with job placement to facilitate students' integration into the corporate world.



▲ Vice Chairperson Tsui-Ling Hsiao of the Financial Supervisory Commission and distinguished guests pose for a photo at the opening ceremony of the 9th Financial Employment Public Welfare Program for College Students.

The 9th College Student Financial Employment Philanthropy Program was launched on September 16, 2023, at nine universities throughout Taiwan. A total of 500 graduating students from 39 universities nationwide took part in the program. The curriculum encompasses a wide range of topics, from professional knowledge to practical operations. It includes courses on securities, futures, trusts, investment advisory, banking, and financial practices, with a total duration of 170 hours. In addition, we provide participants with subsidies that cover lunch expenses, course materials, living allowances, and examination fees for professional certifications. These subsidies ensure that students can fully engage in the program without any financial concerns.

Throughout the eight times the College Student Financial Employment Philanthropy Program has been run, feedback from our graduates consistently highlights the significant impact of the financial knowledge acquired during the course. Many students have expressed that the program's curriculum has greatly assisted them in seamlessly transitioning into the workplace. The program aims to integrate the financial industry into social philanthropy effectively, with the goal of achieving a significant societal impact. Through knowledge empowerment, we strive to facilitate social mobility and enable aspiring students to pursue their ideal careers successfully.

Admission Rate of College Students (After Graduation) of the Financial Employment Philanthropy Program

	2020-2021 2020 6th Program	2021-2022 2021 7th Program	2022-2023 2022 8th Program
Number of People Admitted	234	189	167
Admission Rate	76.97%	74.70%	75.23%

Note: Acceptance rate = Number of accepted students/Number of participants in job placement assistance.

Taiwan Stock Museum

● Development Background

The Taiwan Stock Museum, situated in a former TDCC's stock storage facility, is Taiwan's inaugural stock museum. On December 24, 2012, it opened to the public, providing free admission to visitors. The museum not only displays the progression of stocks but also offers an immersive experience through the presentation of documentary materials and relevant collections that illustrate the long-term development history of Taiwan's stock market in the broader economic context. Additionally, it includes a multimedia interactive area that enables visitors to personally experience the various milestones of Taiwan's stock market.

The museum's permanent exhibition hall is categorized into five primary sections: Origin, Introduction, Development, Transformation, and Integration. These sections offer valuable insights into the inception of stocks, the buying and selling process, the earliest stock certificates worldwide, Taiwan's stock trading's ups and downs, TDCC's operational procedures in managing stock inventories, and the digitization of stocks. Visitors can delve into a plethora of historical information and precious artifacts within these exhibition areas.

The Stock Museum continuously updates its exhibits, and the renovation of the exhibition hall was completed and opened in the first quarter of 2024. The updated exhibit offers visitors animated videos that illustrate the challenges faced by investors before the establishment of the depository, such as long queues for transaction settlements, counterfeit/altered stocks affecting market transactions, and the loss/destruction of stock certificates harming investors' interests. The videos also highlight the benefits achieved after the establishment of the depository, including the effective reduction of market risks through centralized custody, the promotion of book-entry transfers to enhance operational efficiency, the transition to fully dematerialized stock issuance, and the integration with digital finance.

To enhance the promotion of financial literacy, TDCC has reinforced the promotion of digital financial education and is dedicated to advancing the e-Museum concept. The official website of the Taiwan Stock Museum has been enriched with content, including sections such as "Online Museum," "Online Financial Education," and "Online Interactions." The website also provides user-friendly links to external resources, such as the Securities Dealers Association, Securities and Futures Institute, Financial Research and Training Institute, Association for Financial and Intelligent Education Promotion, and the Museum Association of the Republic of China. Regular updates are posted on the Taiwan Stock Museum's Facebook page, providing information about museum visits and financial education, with the aim of expanding the digital audience's online horizons.

In 2023, a total of 516 sessions were held with 7,395 visitors. Since its opening, the museum has accumulated a total of 12,733 sessions and 167,754 visitors as of the end of 2023.

Distribution of Visitors to the Taiwan Stock Museums in 2023 by Category

Category	Percentage
Regulatory Authorities, Peripheral Organizations, Training Institutions	0.84%
Schools at All Levels, Teachers, and Students	85.22%
Securities Industry Professionals	1.92%
Corporate Groups and Others	12.02%





● Industry-Academia Collaboration – Museum Tour Guides

In 2023, a total of 30 students from 9 schools were selected to participate. Continuous educational training was provided for the guides, covering financial professional knowledge, guided speaking presentations, and etiquette courses. Additionally, the guides shared photos of visiting groups and interesting anecdotes from the museum on the Stock Museum's Facebook fan page daily.

Reflections and Achievements as a Museum Tour Guide in 2023

By Gu Shao-qian, National Chengchi University

Working at the museum has been an incredibly rewarding experience. Over the past year, besides gaining knowledge about stocks and securities, the most significant benefit has been the opportunity to collaborate with colleagues from various schools and departments. Unlike group projects at school, the work at the museum requires more cooperation, which means constant communication and developing teamwork skills – valuable experiences that are not typically gained in ordinary part-time jobs.

I also noticed a significant improvement in my public speaking and presentation skills. Hosting visits for students and teachers from different educational levels, as well as interacting with professionals and distinguished guests, allowed me to continuously refine my expression techniques. In particular, the experience of hosting corporate or foreign guests has enhanced my ability to handle emergencies and improve my interpersonal skills.

I am grateful to my fellow working partners; their excellence and warmth have been immensely enriching. Thanks to the colleagues at TDCC for enabling us to continuously improve and push our limits, preparing us to better face the next challenges in life.





By Xu Xiu-yu, National Taipei University

This is an experience I never imagined I would have!

Perhaps none of us ever thought that a mere college student could become a museum guide one day. It sounds almost unreal, but this is my own personal experience.

Upon first entering the museum, I was initially overwhelmed by the professional atmosphere and worried that I might not be able to handle the role. However, this challenge was also what made it exciting.

As a guide, having a fluent script is an essential skill. The first few times, standing in front of a group of people who are intently listening to your explanations can be quite intimidating. But with more practice and increased frequency of guiding tours, I gradually overcame this fear and became more confident in speaking publicly.

I've had the opportunity to host a variety of guests, including students, professionals, and international visitors. Each interaction taught me to respond in better ways, and the diverse experiences with different people have been the greatest reward from this job.

Taiwan's securities market has developed step by step since the 1950s, and the stacks of stocks beside us hold many years of history and memories. Even though my time at the museum will eventually come to an end, my journey will not stop here. I will continue to explore the world, and perhaps one day in the future, I will transform and grow just like the stocks in the museum, bringing even more stories to share with everyone.

By He Min-qin, Soochow University

Time really flies! It's been a year and a half since I started working at the museum in my junior year. During my time here, have gained so much. Not only have I learned a wealth of financial knowledge, but I've also had the chance to improve my public speaking and presentation skills through guided tours.

Since the pandemic, there has been an increase in foreign visitors, giving me the opportunity to practice my English speaking skills. Besides the diverse experiences I've had at TDCC, the colleagues and work environment have been wonderful. The flexible work schedule of once a week allowed me to balance my part-time job with my studies during university.

Finally, I'd like to thank my colleagues at TDCC and all the wonderful friends I made at the museum. They made my time working at the Stock Museum both happy and fulfilling!



● Experiencing Taiwan Securities and Futures Virtual Museum Online

The Taiwan Securities and Futures Virtual Museum website was established to offer modern users a diverse online browsing experience. Recently, the website was updated with a 360-degree online panoramic viewing system, enabling users to browse the Taiwan Stock Museum online without environmental or time constraints. This integration of offline physical collections with online digital presentations provides users with a smoother browsing experience. As of the end of 2023, the website has accumulated over 200,000 views, offering a clear and panoramic browsing experience mode.



● Digitalization of Financial Education

The Taiwan Stock Museum's official website continues to provide digital publications for convenient reading and downloading through mobile devices.

● International Promotion and Exchange

The museum is a member of the International Council of Museums (ICOM) and is actively involved in three committees: the International Committee for Museum Management, the International Committee for Money and Banking Museums, and the International Committee for Marketing and Public Relations. In 2023, colleagues at the Stock Museum continued to enhance their skills and knowledge. On October 25th and 26th, they attended the 2023 Annual Meeting of the International Council of Museums Committee for Collections (ICOM-CC) held in Taipei. This event provided an opportunity to exchange experiences with other museum professionals and gain international insights related to museum collections.



Conduct Industry-Academia Internship Program

To foster financial talent development among young students, TDCC actively responds to various government policies. Under government guidance, we have closely collaborated with TWSE, TPEX, and TAIEX, as well as the Department of Higher Education of the Ministry of Education, to establish an Industry-University Internship Platform. Additionally, we have encouraged TWSE-(TPEX-) listed companies, including those in the financial industry, emerging stock, and professional accounting firms, to provide internship and employment opportunities to university students. These mechanisms have not only helped universities cultivate talent in high demand by enterprises but also addressed staffing needs while expanding employment prospects.

Year/Session	2021, 6th session	2022, 7th session	2023, 8th session
Internship Opportunities	725	1,199	1,876
Success Matching	590	1,019	1,557
Success Rate	81%	85%	83%

Financial Services Education Public Welfare Fund

The Financial Services Education Public Welfare Fund was established to encourage the financial industry to fulfill its social responsibility. The fund was created through donations from various financial industry associations, securities and futures related institutions, and financial institutions. The fund provides scholarships to students from various public and private colleges and universities in the country to help young students from disadvantaged families complete their education successfully. Additionally, offer financial education courses to achieve effective industry-academia collaboration.

The fund allocates NT\$120 million each year, with NT\$100 million for educational scholarships and NT\$20 million for financial education programs. TDCC has been donating NT\$10 million to the fund annually since 2015.

Diverse Education Programs by Local Governments

Education is a monumental endeavor that has endured for centuries, and school education is a crucial aspect of modern society's educational landscape. By means of formal curricula, interactive teacher-student relationships, and extracurricular activities, school education imparts knowledge, cultivates skill development, and assists students in establishing their value systems. Furthermore, school education functions as a socialization process that equips students with the ability to interact with others, follow regulations, and cultivate their personal values. Hence, school education holds significant influence over both personal growth and social progress. TDCC aims to enhance students' education by utilizing corporate resources to provide a comprehensive upbringing that includes reading, aesthetics, music, scouting, and marine exploration education. This approach fosters teamwork and cultivates a sound character, ultimately illuminating the lamp of hope. TDCC aspires to instill in students the courage to pursue their dreams and excel across diverse domains, ensuring a promising future for all.

Yilan County Education Bureau	Guting Elementary, Lixing Elementary, Xinnan Elementary, Longtan Elementary, Yongle Elementary, Guoling Elementary, Guangxing Elementary, Wuyuan Elementary, Yilan Junior High, Dongguang Junior High.
Nantou County Education Bureau	Yanfeng Elementary, Mingjian Elementary, Pinghe Elementary, Puli Elementary, Dunhe Elementary, Caotun Elementary, Guanghua Elementary, Zhongxing Junior High, Yingbei Junior High, Yanhe Junior High, Nantou Junior High, Dacheng Junior High, Shuangwen Junior High, Beishan Junior High, Xuguang High School.
Pingtung County Sports Development Center	Zhizheng Junior High, Xinyuan Junior High, Linluo Junior High, Wandan Elementary, Jiayi Elementary, Guangchun Elementary, Linluo Elementary, Changzhi Junior High, Fangleiao High School.
Miaoli County Education Bureau	Chenggong Elementary, Datong Elementary, Wumei Elementary, Taian Junior High, Xiaolinsen Elementary, Qixin Junior High.
Yunlin County Education Department	Sanlun Elementary, Zhennan Elementary, Jiuan Elementary, Shuicunlin Elementary, Feng'an Elementary, Laihui Elementary, Kouhu Junior High, Shiliu Junior High.
Changhua County Education Department	Minsheng Elementary, Pinghe Elementary, Yuying Elementary, Datong Junior High, Luming Junior High, Xihu Junior High, Changhua Arts High School, Chengggong High School.
Penghu County Education Bureau	Arts and Culture Exhibition Stars, Diverse Club Cultivation Project for Elementary and Junior High Schools, Outdoor Education Deep Cultivation Project for Elementary and Junior High Schools, Enrichment of Teaching Equipment for Elementary and Junior High Schools

Indigenous Education Service Plan for Vox Nativa Association Taiwan

Vox Nativa Association Taiwan was founded to offer additional opportunities to indigenous children and safeguard indigenous arts by means of singing, thereby securing their cultural heritage for future generations. Vox Nativa has founded the Vox Nativa Music School in Xinyi Township, Nantou County. Each year in September, the school accepts indigenous children from various indigenous communities. The school provides music education, which not only instills character education but also serves as a medium to pass on and conserve the cultural legacy of their respective ethnic groups. The goal is to assist indigenous children in building confidence and fostering positive attitudes, while nurturing their academic capabilities, until they graduate from university. The aspiration is for them to possess the ability and right to make choices for their future lives.

TDCC remains committed to contributing to the Indigenous Education Service Plan for the Vox Nativa Music School, with the intention of making a positive impact and providing more tribal children with the opportunity to participate in the school's program, ensuring they receive a well-rounded education.

Recipients of Educational Care in Rural Areas

The urban-rural gap is a significant cause of social issues and economic disparities. Among these, the lack of educational resources in rural areas is a primary factor that cannot be ignored. This deficiency indirectly affects the families and career development of schoolchildren and, in the long term, may even lead to economic and social problems. TDCC has long sponsored the educational development of rural schools. Through various project cultivation programs, TDCC aims to comprehensively enhance the learning environment and quality for children in rural areas, encourage holistic development, and provide opportunities for children with special talents to further develop their potential and skills. This support helps boost the children's confidence and injects endless possibilities into their formative years.

Care for Rural Schools	Pingxi Elementary School and Heping Elementary School in New Taipei City
Diverse Talent Development Program	Xinyuan Elementary School, Hongye Elementary School in Taitung County
Outstanding Talent Development Program	Xikou Elementary School, Beichang Elementary School, Taichang Elementary School, Fenglin Elementary School in Hualien County, and Zhonghua Elementary School in Hualien City
Young Creative Artists Cultivation Program	Shiding Elementary School in New Taipei City



▲ Students from six schools in Hualien posed for a group photo at the "TDCC Warms Hearts, Spreads Love in Hualien" joint music concert. This event encourages students from rural areas to broaden their horizons, pursue their dreams bravely, and conveys TDCC's commitment to supporting grassroots education.

6.3

Cultural Charity

In an era of technological change, the role and power of culture become even more significant. Culture can slow down time and provide a space for the mind to settle; it is the essence of life, reflecting changes in the external environment as well as the inner world. TDCC has long supported artists and cultural workers, and through the collaboration between the financial industry, the cultural sector, and academia, it aims to help build a sustainable business model for the arts. This initiative strives to create a resilient cultural environment in Taiwan.

2023 Exhibition of Selected Works by Winners of the 2022 TDCC Contemporary Art Awards

TDCC, in collaboration with the Taiwan Art Foundation, hosted the “2022 TDCC Contemporary Art Awards” under the theme “Calligraphy and Painting in Contemporary Art.” This initiative encourages young artists to engage in artistic research and creation, responding to the relationship between calligraphy, painting, and contemporary art through their understanding, reinterpretation, and re-creation.

To extend the impact of the awards, TDCC designed a two-phase event. In the first year (2022), outstanding young artists were selected through a public competition and given the opportunity to exhibit their works in university campus spaces. In the second year (2023), TDCC partnered with professional galleries in Taiwan to recommend the award winners for exhibitions and further promotion.

The “TDCC Contemporary Art Awards” not only encourage artistic creation through monetary prizes but also strengthen the connection between artists and the industry. This approach aims to promote the continuous development of young creators and create a mutually beneficial cultural environment.



Cloud Gate Dance Theatre Special Performance for Art Education Promotion

TDCC has long been committed to promoting education in rural areas, caring for the underprivileged, and supporting cultural activities. This corporate philosophy aligns with the Cloud Gate Foundation’s emphasis on educational outreach. Therefore, since 2020, TDCC has collaborated with the Cloud Gate Foundation to promote arts education in rural schools. In 2023, TDCC continued to support the “2023 Cloud Gate Dance Theatre’s Special Educational Performances of ‘Legacy’ and ‘Waves’,” demonstrating its concrete support for the promotion of arts and culture in rural Taiwanese schools and assisting the government in extending and promoting artistic activities in remote areas.

National Theater and Concert Hall's Youth-Elders Co-creation Project

In 2023, TDCC once again supported the National Performing Arts Center's Intergenerational Co-Creation Project, jointly advocating for "Intergenerational Integration and Art Equality." By appreciating theater, participating in workshops, and attending sharing sessions, people from different generations were encouraged to transcend age boundaries. Over 3,500 youths and elders experienced the beauty of art together, revitalizing their senses and minds through the power of art. This initiative aimed to build relationships, foster communication and empathy, and gradually achieve the ideal of intergenerational integration, opening up new possibilities for the performing arts.



Academy of Taiwan Strings Enters Elementary Schools in Rural Areas

In 2023, TDCC continued to support the Taiwan String Orchestra's "Music Afforestation for Remote Children" project. The aim of this initiative is to provide children in rural areas, who may not have the opportunity to attend performances in concert halls, with the same cultural enrichment as their urban counterparts. Starting from elementary schools in remote areas, the project seeks to bring the timeless beauty of classical music to these regions step by step, allowing rural schoolchildren to experience and appreciate the elegance of classical music.

Beautiful Taiwan 3D Mobile Cinema

In 2023, TDCC sponsored and supported the "Beautiful Taiwan 3D Mobile Cinema" project. The Beautiful Taiwan Association, founded by Taiwan's renowned 3D director Qu Quanli, embarked on this initiative with a benevolent intention. Utilizing visual media, they created Taiwan's only 3D mobile cinema truck, which tours schools across the country, enabling children in rural areas to witness the beauty of Taiwan and learn about the inspiring stories of Taiwan's unsung heroes, experiencing the resilience of the human spirit.

The association produced the "Taiwan Superheroes" (Financial Literacy Edition), printed AR 3D postcards, and published the "Taiwan Superheroes AR Digital Family Picture Book." They also organized special screenings with the mobile cinema. Through the combined efforts of TDCC and the association, this initiative aims to showcase Taiwan's natural beauty and cultural richness to schoolchildren, instill correct values, foster environmental sustainability awareness, and teach basic financial literacy.


Additionally, TDCC arranged for employees to take turns volunteering at schools to assist with the movie screenings. This collective effort demonstrates the company's commitment to giving back to society, embodying the value of mutual benefit, and extending TDCC's positive and sustainable social impact.



▲ Chairman Lin led colleagues to Shitan Elementary School in Miaoli County to volunteer for a day with the "Beautiful Taiwan 3D" mobile cinema project.

6.4 Sports Charity

Development of Grassroots Sports Athletes

Archery	Ji'an Elementary School, Jian Ching Elementary School in Hualien County, Dong Ao Elementary School in Yilan County, Jen Ho Junior High School in Taoyuan City, Kaohsiung Municipal Fongsi Junior High School, Szu Chen Junior High School in Taichung City, as well as Fuli Junior High School and Hsiangshan Primary School in Hsinchu City.	
Badminton	Yichang Junior High School in Hualien County, Lyudao Primary School and Da Wang Elementary School in Taitung County, as well as Yuanshan Junior High School and Dahu Elementary School in Yilan County	
Soccer	DongGang Senior High School Junior High Division in Pingtung County; Hualien Women's Soccer Team	
Baseball	Xiu Feng High School in New Taipei City, Jiangmei Elementary School in Penghu County	
Speed Roller Skating	Dawen Elementary School, Tainan City	

Rural Youth Soccer Dream Project

Since 2014, TDCC has collaborated with the Taiwan Stock Exchange, Futures Exchange, and Pou Chen Group to provide donations to four junior high school youth soccer teams in Pingtung County. The recipient schools are Donggang Junior High School, Laiyi Junior High School, Maja Junior High School, and Changzhi Junior High School. The objective of this initiative is to offer training opportunities to children in rural areas, enabling them to develop confidence, discipline, and teamwork through soccer.

The four sponsoring organizations take turns hosting an annual friendly competition, allowing young players to race across the field. On the pitch, teams compete against each other, but off the field, they forge friendships. Through soccer, players build confidence and discipline, learn to cooperate with teammates, and strive for greater glory both for their team and themselves.



▲ Group photo of all participants at the 9th Taiwan Youth Soccer Friendship Tournament

6.5 Other Charity Endeavors

Participating in social assistance, promoting social inclusion

● Disaster Relief and Reconstruction Project in Turkey

On February 6, 2023, Turkey was hit by a severe earthquake with a magnitude of 7.8, causing significant devastation. Embracing the spirit of empathy and compassion, TDCC demonstrated corporate social responsibility by participating in the Ministry of Health and Welfare's disaster relief project. They donated funds to provide essential supplies and aid to the affected residents, aiming to assist the people in the disaster-stricken areas of Turkey to rebuild their homes and restore their normal lives as soon as possible.

● Donation of Transportation Vehicles to Indigenous Churches and Related Organizations

TDCC cares about every corner of society. They observed that although social welfare organizations have been diligently working in indigenous communities, providing comprehensive care at cultural health centers and other gathering places, the elders in these communities often lack transportation and cannot easily participate in activities. To address this issue, TDCC, in partnership with the Taiwan Stock Exchange, donated transportation vehicles to several indigenous churches and related organizations, such as the Taroko Church in Hualien County. This initiative aims to improve driving safety in remote areas and enhance the convenience of elders in meeting their medical and daily needs.

● Mennonite Hospital Eastern Nursing Staff Training Program

To demonstrate its concern for the shortage of nursing personnel in the eastern region of Taiwan, TDCC has pledged to donate to the Eastern Region Healthcare Personnel Development program at Mennonite Hospital starting in 2023. The program aims to cultivate nursing and medical staff in the eastern region, ensuring a steady supply of personnel with diverse healthcare skills for various medical and long-term care institutions under the Mennonite Hospital system. By investing in healthcare and long-term care services, this initiative aims to provide continuous and stable care for patients and the elderly in the eastern region.

● "Good Day Together Walk" Event by the Syin-Lu Social Welfare Foundation

TDCC supports the Syin-Lu Social Welfare Foundation in its efforts to serve individuals with intellectual disabilities. In addition to donating funds to support the public welfare event "Good Day Together Walk - Embrace Negative Energy, Walk Out Mental Strength," TDCC employees also actively participate by volunteering for the walk. By accompanying participants, they help create an inclusive environment, encouraging individuals with intellectual disabilities to step out of their homes, interact with society, and showcase their self-worth.

Supporting the Police and Firefighters through Action

In recognition of the unwavering dedication of police and firefighters in safeguarding public safety, protecting lives and property, and maintaining social order, TDCC has made donations in 2022 to support their operations and promote community care. Donations were provided to the Taipei City Government, Taichung City Government, Hsinchu County Fire Bureau, and Nantou County Fire Bureau, specifically for fire and disaster response equipment. In addition, TDCC donated resources to the Taipei City Police Department and Hsinchu County Police Department to support their operational needs. These contributions serve as an expression of respect and gratitude to the police and firefighters for their invaluable service to the community.

Public Welfare Subscriptions - Broaden Horizons and Foster a Reading Culture

According to the Public Library Statistics System, in 2019, the average annual expenditure on book purchases per person nationwide was only NT\$26.29, and the average number of books borrowed from libraries was 3.49 books per person. Additionally, a survey conducted among high school and college students in the province revealed that the majority believed their own and their fellow citizens' international perspectives were unsatisfactory.

To fulfill our corporate citizenship and social responsibility, TDCC actively promote reading and the cultivation of international perspectives. Since 2019, our company has participated in the global Central Monthly Magazine's Public Welfare Subscription Program. In 2023, we further increased the number of monthly magazine sponsorships. Every month, we sponsor 240 copies of the magazine to be delivered to rural schools and town libraries in Yilan, Hualien, Taitung, Yunlin, and Chiayi. This initiative demonstrates our support for promoting reading and fostering international perspectives among our fellow citizens.

Christmas Love and Charity Day Event

TDCC has demonstrated its long-term commitment to caring for the community and actively giving back to society by promoting ESG sustainable development through its annual Blood Donation Day event for the past 14 years. Each year, TDCC donates 10,000 blood bags, with strong support and enthusiastic participation from nearby company employees and community members. On a single day, the blood donation exceeds 200 bags, and over the course of 14 years, nearly over 2,000 people have actively participated, resulting in a cumulative blood donation volume of 700,000 cc. The total value of the donated blood bags has exceeded 12.32 million New Taiwan Dollars. The Blood Donation Center presents TDCC with an annual Special Contribution Award, recognizing its long-standing commitment to blood donation.



▲ General Manager Chen of TDCC represent the Company in donating blood

Caring Hearts Club – Promoting the Spirit of Love by TDCC

In 2011, TDCC employees, sharing a common belief in “helping many groups in society that still need attention,” established the Compassion Society. This initiative aims to gather collective strength, encourage employee participation in charitable activities, and embody the spirit of “it is more blessed to give than to receive” and “helping others is the foundation of happiness.” The Compassion Society engages in social welfare services by strategically selecting long-term sponsorship targets, enabling disadvantaged groups to utilize the sponsorship funds more efficiently and effectively. Additionally, TDCC remains attentive to immediate social needs, flexibly channeling its resources to address urgent issues. Ultimately, this approach increases employees' awareness of social issues, fosters a collective effort to give back to society, and helps them achieve personal fulfillment.

In 2023, as the shadow of the COVID-19 pandemic finally lifted, the global economy faced the challenges of supply chain disruptions and reorganization, necessitating the reallocation of resources. These challenges impacted the operations and fundraising efforts of public welfare organizations, indirectly affecting the stability of the social safety net. To address these issues, the Compassion Society organized charity sale events, inviting organizations such as the Down Syndrome Foundation, the Taipei Autism Welfare Foundation, the Garden of Hope Foundation, the Victory Potential Development Center for the Disabled, and the Yu-Cheng Social Welfare Foundation to provide goods for sale. The charity sale raised nearly NT\$350,000, which was entirely donated to social welfare institutions.

In addition to the charity sale, a company-wide charity fundraising campaign was launched, raising NT\$450,000. The funds were donated to the Changhua County Autism Parent Association, the Autism Society of the Republic of China, the André Chen Charity Association, and the Kaohsiung Little Angels Home, among other organizations.

TDCC upholds the principles of sustainable development and giving back to investors, with a long-term commitment to public welfare activities and promoting financial education. Through practical actions, TDCC implements inclusive finance. Externally, TDCC focuses on humanitarian care, deepening various public welfare activities, and extending its concern to disadvantaged groups, education, arts and culture, and sports. In the future, TDCC will continue to strengthen its public welfare efforts, promote social inclusion, and collaborate with partners to create a sustainable Taiwan.

Appendix

Participation in Associations and Organizations

Table of Carbon Emission Operation Quantity/Reference Coefficients

Appendix 1 GRI Standards Table

Appendix 2 Comparison Table of Sustainability Accounting Standards
Board (SASB) Indicators

Appendix 3 Third-Party Assurance Statement

Participation in Associations and Organizations by TDCC

Domestic Organizations, Associations, and Academia			
Name of External Organization	Participating Roles	Name of External Organization	Participating Roles
The Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Member	Corporate Operating and Sustainable Development Association	Member
Institute of Internal Auditors Taiwan	Member	Taiwan Financial Services Roundtable	Member
Taiwan Stock Affairs Association	Member	R.O.C. Bills Finance Association	Sponsored Members
Computer Audit Association	Member	Chinese Association of Museums	Member
Securities Analysis Association, Chinese Taipei	Member	The Bankers Association of the R.O.C.	Sponsored Members
BCSD Taiwan	Member	CHFRDA	Member
Global Brands Management Association	Member	Taiwan Corporate Governance Association	Member
Financial Planning Association of Taiwan	Member	National Chengchi University Global Research & Industry Alliance, GLORIA	Member
Financial Engineering Association of Taiwan	Member	Taiwan Finance Association	Member
Accounting Research and Development Foundation/ Accounting Research Center	Member	Pension Fund Association, R.O.C.	Member
Chinese Personal Executive Association	Member	Common Wealth Sustainability	Member
International Organizations			
Name of external organizations	Participating Roles	Name of external organizations	Participating Roles
Asia-Pacific Central Securities Depository Group (ACG)	Executive Committee Member	International Organization of Securities Commissions (IOSCO)	Observer
World Forum of Central Securities Depositories (WFC)	Members of the Board of Directors	Society for Worldwide Interbank Financial Telecommunication (SWIFT)	Member
International Securities Services Association (ISSA)	Member	International Council of Museums (ICOM)	Member

Table of Carbon Emission Operation Quantity/ Reference Coefficients

TDCC ePassbook App

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Physical Passbook	Virgin Wood Pulp (Copy Paper/2014) 80gsm(A4)	7,456,842	37,284	4.24	KgCO ₂ e/kg	158.0851

Note: In 2022, there were 1,027,926 new e-Passbook users, with an average of 6 physical passbooks per person.

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Physical Passbook	10.5	Commercial Freight Truck (Diesel/2022)	37,284	0.131	KgCO ₂ e/tkm	0.0513

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Registered Mail – Document	906,559	Postal Delivery (2020)	27,197	0.205	KgCO ₂ e/g	5,575.34

Total Carbon Emissions = a+b+c = 5,733.47

Note 1. The coefficient data is sourced from the Environmental Protection Administration's Product Carbon Footprint Information Website (cfp-calculate.tw).

Note 2. In 2023, there were a total of 906,559 new TDCC ePassbook account opened online.

Note 3. Registered mail, securities firms send paper passbooks to investors.

eBill

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	KG	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Documents	Virgin Wood Pulp (Copy Paper/2014)	0.005	316,008	1,502.02	4.24	KgCO ₂ e/kg	6.3686
Sealed Bag	Vellum Paper (2013)	0.0163	221.786	3,615.11	1.08	KgCO ₂ e/kg	3.9043

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Documents	9	Commercial Freight Truck (Diesel/2022)	1,251.02	0.0587	KgCO ₂ e/tkm	0.0007
Bond Passbook	9	Motocycle	78.02	0.0951	KgCO ₂ e/tkm	0.0001
Documents/ Sealed Bag	21	Commercial Freight Truck (Diesel/2022)	3,788.09	0.0587	KgCO ₂ e/tkm	0.0047

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Registered Mail	312,510	Postal Delivery (2020)	5,117.13	0.205	KgCO ₂ e/g	1,049.01

Total Carbon Emissions = a+b+c = 1,059.28

e-SMART

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	KG	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Account Opening/Modification or Other Related Review Documents	Virgin Wood Pulp (Copy Paper/2014)	0.005	859,395	4,297	4.24	KgCO ₂ e/kg	18.2191
Sealed Bag	Vellum Paper (2013)	0.0186	26,425	492	1.08	KgCO ₂ e/kg	0.5308

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Account Opening/Modification or Other Related Review Documents	8.8	Commercial Freight Truck (Diesel/2022)	4,297	0.131	KgCO ₂ e/tkm	0.0050
Sealed Bag	9	Commercial Freight Truck (Diesel/2022)	492	0.131	KgCO ₂ e/tkm	0.0005

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Registered Mail – Subpoena/Document	52,850	Postal Delivery(2020)	4,788	0.205	KgCO ₂ e/g	981.6384

Total Carbon Emissions = a+b+c = 1,000.39

Note: In 2023, the estimated number of Foreign Investors/Mutual Fund Account account opening operations is 10,149, with an average of 50 A4 sheets required per operation. For changes to basic information and other operations, the estimated number is 16,276, with an average of 20 A4 sheets required per operation.

e-Security

Mutual Fund

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
100-pound watermarked security paper	Virgin Wood Pulp (Copy Paper/2014)	85,812	549.2	4.24	KgCO ₂ e/kg	2.3286

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
100-pound watermarked security paper	10.5	Commercial Freight Truck (Diesel/2022)	549.2	0.131	KgCO ₂ e/tkm	0.0008

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
100-pound watermarked security paper	10.5	Commercial Freight Truck (Diesel/2022)	549.2	0.131	KgCO ₂ e/g	0.0008
Newly issued visa returned to the investment trust	10.5	Commercial Freight Truck (Diesel/2022)	256	0.131	KgCO ₂ e/g	0.0008
Replacement certificate visa returned to the investment trust	45,812	Postal Delivery (2020)	293.2	0.205	KgCO ₂ e/g	60.11

Mutual Fund Carbon Emissions = a+b+c = 62.44

Bill

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Documents	Virgin Wood Pulp (Copy Paper/2014)	182,917	520.2	4.24	KgCO ₂ e/kg	2.2058
Sealed Bag	Vellum Paper (2013)	6,802	110.9	1.08	KgCO ₂ e/kg	0.1197

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Documents	10.5	Commercial Freight Truck (Diesel/2022)	520.2	0.131	KgCO ₂ e/tkm	0.0004
Sealed Bag	6	Commercial Freight Truck (Diesel/2022)	110.9	0.131	KgCO ₂ e/tkm	0.0001

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Registered Mail	189,719	Commercial Freight Truck (Diesel/2022)	631.1	0.205	KgCO ₂ e/g	129.37

Bill Carbon Emissions = a+b+c = 131.69

Stock

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Stock Paper	Virgin Wood Pulp (Copy Paper/2014)	26,545,896	169,893.74	4.24	KgCO ₂ e/kg	720.35
Cardboard Box	AB Flute Cardboard Box (3-Ply, Double Wall) (2017)	966	1,034.78	1.19	KgCO ₂ e/kg	1.23

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Stock Paper/ Cardboard Box	14	Commercial Freight Truck (Diesel/2022)	170,928.52	0.683	KgCO ₂ e/ tkm	1.6344

Stock Carbon Emissions = a+b+c = 723.21

Total Carbon Emissions = a+b+c = 917.3

Financial Heritage Information

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	KG	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
A4 Paper/ TDCC Receipt Invoice Paper (A4)	Virgin Wood Pulp (Copy Paper/2014)	0.05	5,719,000	28,595	4.24	KgCO ₂ e/kg	121.2428
Sealed Envelope	Vellum Paper (2013)	0.0064	13,300	85.12	1.08	KgCO ₂ e/kg	0.0919
Staples	2.6mm Bare Copper Wire (2014)	0.021	532	11.17	4.24	KgCO ₂ e/kg	0.0478

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
A4 Paper/ TDCC Receipt Invoice Paper (A4)/Sealed Envelope/ Staples	10.5	Commercial Freight Truck (Diesel/2022)	28,691	0.131	KgCO ₂ e/ tkm	0.0395

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Registered Mail	13,300	Postal Delivery(2020)	2,946	0.205	KgCO ₂ e/g	603.88

Total Carbon Emissions = a+b+c = 725.30

Note 1. Each application requires 42 sheets of paper + 1 invoice.

Note 2. Only approximately 1 in 10 investors need to receive a mailed copy.

e-Notice

a. Emissions of Raw Materials, Consumables, and Packaging Materials in 2023

Emission Sources	Carbon Coefficient	Quantity of Sheets	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Dividend Notice	Virgin Wood Pulp (Copy Paper/2014)	564,000	3,384	4.24	KgCO ₂ e/kg	14

b. Upstream Transportation Emissions

Emission Sources	KM	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Dividend Notice	10	Commercial Freight Truck (Diesel/2022)	3,384	0.131	KgCO ₂ e/tkm	0.0044

c. Downstream transportation emissions

Emission Sources	Piece.	Carbon Coefficient	KG	Carbon Emission Coefficient	Coefficient Unit	Carbon Emissions (tCO ₂ e)
Dividend Notice	564,000	Postal Delivery(2020)	3,384	0.205	KgCO ₂ e/g	694

Total Carbon Emissions = a+b+c = 708

Note 1. The coefficient data is sourced from the Environmental Protection Administration's Product Carbon Footprint Information Website (cfp-calculate.tw).

Note 2. The weight of a sheet of paper is approximately 5g, based on A4 paper with a density of 80gsm.

Note 3. The weight of each packet of sealing bags is 1.86kg/100 pieces.

Note 4. The sealing bags are made of cowhide envelopes (4K) and can roughly hold 50 sheets of A4 paper per bag.

Note 5. In 2022, there were approximately 5,900 account opening operations for foreign investors/investment trusts, with an average of 50 sheets of A4 paper per operation. The estimated number of other operations, such as updating basic information, was around 6,250 cases, with an average of 20 sheets of A4 paper per operation.

Carbon Reduction Benefits through Providing Market Digital Services:

1. Annual Carbon Emissions (tCO₂e), Please refer to Table of Carbon Emission Operation Quantity/Reference Coefficients.
2. Annual Carbon Sequestration by Trees = Operation Item Carbon Emissions × 1000 ÷ 12
3. Annual Carbon Sequestration Capacity of Da'an Forest Park (in units) = Operation Item Carbon Emissions × 1000 ÷ 12 ÷ 6000
4. Reduction in the Number of Paper Sheets, Please refer to Table of Carbon Emission Operation Quantity/Reference Coefficients.
5. Taipei 101 (building) = Paper Reduction Quantity (sheets) × 0.297 ÷ 508m (A4, paper length 297mm/0.297m)
6. Around Taiwan = Paper Reduction Quantity (sheets) × 0.000297 ÷ 1151 (A4, paper length 297mm/0.00297km)

Appendix 1 GRI Standards Table

- ◆ Statement of Use: TDCC has reported in accordance with the GRI Standards.
- ◆ Reporting Period: January 1, 2023, to December 31, 2023
- ◆ GRI 1: GRI 1: Foundation 2021
- ◆ Applicable GRI Standards: N/A

GRI 2: General Disclosures

GRI Standards	Disclosure	Corresponding Chapters/Sections	Page Number
2-1	Organization Details	About the Report, 1.3 About Our Company	3 、 14
2-2	Entities included in the organization's ESG Reporting	About the Report	3
2-3	Reporting Period, Reporting Frequency, and Contact Person	About the Report	3
2-4	Restatements of information	About the Report	3
2-5	External assurance/certification	About the Report, Appendix Three	3 、 130
2-6	Activities, Value Chain, and Other Business Relationships	1.2 Market and Service Value Chain.	10
2-7	Employee	5.1 Human Resources	81
2-8	Non-employee workers	5.1 Human Resources	81
2-9	Governance structure and composition	3.1 Corporate Governance	27
2-10	Nomination and selection of the highest governing body	3.1 Corporate Governance	27
2-11	Chair of the highest governance body	3.1 Corporate Governance	27
2-12	Role of the highest governing body in overseeing impact management	3.1 Corporate Governance	27
2-13	Assignment of responsibilities for managing impacts	Sustainable initiatives organization, 3.1 Corporate Governance	9 、 27
2-14	Role of the highest governing body in ESG Reporting	3.1 Corporate Governance	27
2-15	Conflicts of interest	3.1 Corporate Governance	27
2-16	Communication of key material events	Sustainable initiatives organization, 3.1 Corporate Governance, 3.3 Climate governance	9 、 27 、 36

GRI Standards	Disclosure	Corresponding Chapters/Sections	Page Number
2-17	Collective knowledge of the highest governing body	3.1 Corporate Governance	27
2-18	Performance Evaluation of the highest governing body	3.1 Corporate Governance	27
2-19	Remuneration Policy	In accordance with the salary policy stipulated in Article 23 of the Rules Governing the Personnel Management of TDCC	-
2-20	Remuneration decision-making process	The salary determination process of the Settlement Department of TDCC is closely supervised by the regulatory authority, with personal data omitted.	-
2-21	Annual salary ratio	The salary determination process of the Settlement Department of TDCC is closely supervised by the regulatory authority, and personal data privacy is respected and omitted.	-
2-22	Statement on sustainable development strategy	Chairman's Message, CH1 Vision and Strategy for Sustainable Development	4-7
2-23	Policy commitments	CH3 Corporate Governance CH4 Green Management and Sustainable Financial Services CH5 Happy Workplace	26
2-24	Incorporation of policy commitments		44
2-25	Remediation procedures for negative impacts		80
2-26	Mechanisms for seeking advice and raising concerns	CH3 Corporate Governance	26
2-27	Compliance	3.1 Corporate Governance	27
2-28	Membership of associations	Annex: Participation in Associations and Organizations	115
2-29	Stakeholder engagement policy	2.1 Identification of material issues and stakeholder communication.	18
2-30	Collective bargaining agreements	The labor union was established in April 2023. Our company began negotiating the collective agreement with the union in October, along with other related matters.	-

GRI3: Disclosure of Material Topics

GRI Standards	Disclosure	Corresponding Chapters/Sections	Page Number
3-1	Process of determining material topics	2.1 Identification of Material Issues and Stakeholder Communication	18
3-2	List of Material Topics	2.1 Identification of Material Issues and Stakeholder Communication	18
3-3	Management of Material Topics	2.2 Policy for Managing Material Topics	21

Specific theme standards

Note: ★ and the names within parentheses indicate the material issue titles in this report.

GRI 200: Economic Disclosures

Series	Disclosure	Description	Chapters	Page Number	Supplementary Description
GRI 201: 2016 Economic Performance	201-3	Defined benefit plan obligations and other retirement plans	5.3 Employee Remuneration and Benefits	89	
GRI 204: Procurement practices in 2016	204-1	Proportion of spending on local suppliers	1.2 Market and Service Value Chain	10	
★ GRI 205: Anti-corruption 2016 Corporate Governance and Ethical Corporate Management	205-3	Confirmed cases of corruption and actions taken	3.1 Corporate Governance	27	No incidents of bribery or corruption were discovered in 2023

GRI 300: Environmental Series

Series	Disclosure	Description	Chapters	Page Number	Supplementary Description
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Environmental protection and green operations	75	
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental protection and green operations	75	
	305-3	Other indirect (Scope 3) GHG emissions	Environmental protection and green operations	75	

GRI 400: Social Disclosures

Series	Disclosure	Description	Chapters	Page Number	Supplementary Description
GRI 401: Labor Management Relations 2026	401-1	New employee hires and employee turnover	5.1 Human Resources	81	
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	5.3 Employee Remuneration and Benefits	89	
	401-3	Parental leave	5.3 Employee Remuneration and Benefits	89	
★ GRI 402: Labor/Management Relations in 2016 (Labor/management communication)	402-1	Minimum notice periods regarding operational changes	In accordance with Article 16, Paragraph 1 of the Labor Standards Act		

Series	Disclosure	Description	Chapters	Page Number	Supplementary Description
★ GRI 403: Occupational Health and Safety 2018 (Healthy Workplace)	403-1	Occupational Safety and Health Management System	5.4 Occupational Health and Safety	93	
	403-3	Occupational Health Services	5.4 Occupational Health and Safety	93	
	403-4	Employee participation, consultation, and communication on occupational health and safety	5.4 Occupational Health and Safety	93	
	403-5	Training in occupational safety and health for employees	5.4 Occupational Health and Safety	93	
	403-9	Occupational injuries	5.4 Occupational Health and Safety	93	
★ GRI 404: Training and Education 2016 (Talent Cultivation and Development)	404-1	Average hours of training per year per employee	5.2 Talent Development	87	Description: Due to unavailability of data, the average training hours for employees cannot be differentiated by gender and employee category
GRI 411: Indigenous Rights 2016	411-1	Incidents involving violations of indigenous rights	–	–	No such incidents were found
★ GRI 417: Marketing and Labeling 2016 Corporate Governance and Ethical Corporate Management (Policies and regulations compliance) (Customer relations and protection of rights and interests)	417-2	Incidents of non-compliance with regulations related to product and service information and labeling	3.1 Corporate Governance 3.2 Risk Management	27 31	There were no violations of such regulations or voluntary agreements in 2023
	417-3	The incident involving non-compliance with marketing and communication regulations	3.1 Corporate Governance 3.2 Risk Management	27 31	There were no violations of such regulations or voluntary agreements in 2023
★ GRI 418: Customers Privacy 2016 (Information security) (Customer relations and protection of rights and interests)	418-1	Complaints regarding verified violations of customer privacy or loss of customer data	3.2 Risk Management 4.2 VIP Customer Service		No instances of customer privacy infringement were found in the 2023

Appendix 2 Comparison Table of Sustainability Accounting Standards Board (SASB) Indicators

Based on the industry classification query results from the official website of SASB, TDCC has selected applicable indicators for disclosure from the 11 sectors and 77 industries within the SASB Materiality Map.

◆ Sector: Financials

◆ Industry: Consumer Finance

Disclosure Topics	Indicator Codes	Disclosure Indicators	Nature of Subsides	Description	Page Number
Customers Privacy	FN-CF-220a.1	Total Number of Customer Accounts Where Customer Data is Used for Secondary Purposes	Quantification	1. TDCC does not utilize customer data for secondary purposes, including advertising promotions, product or service enhancements, or providing data to third parties through sale or sharing. 2. TDCC has formulated the Personal Data Protection Management Policy Statement and Rights of Personal Data Subjects to enforce a personal data protection and management system, safeguarding the rights of individuals regarding their personal data.	Please refer to the left column
	FN-CF-220a.2	The overall monetary losses incurred due to legal proceedings concerning customer privacy violations	Quantification	There were no legal proceedings related to customer privacy involving TDCC in 2023	Please refer to the left column
Information Security	FN-CF-230a.1	1. Number of information leakage incidents. 2. Percentage of information leakage incidents related to personal data 3. Number of customers affected by information leakage incidents	Quantification	There were no data leakage incidents reported by TDCC in 2023	Please refer to the left column
	FN-CF-230a.2	The total monetary losses due to fraud in both card-not-present (CNP) and card-present (CP) transactions.	Quantification	Not applicable TDCC is the primary institution for centralized depository and clearance of securities and short-term securities. Its core services comprise non-physical issuance registration, centralized depository, book-entry allocation of securities, and clearance services for short-term securities. Notably, TDCC does not provide debit or credit card issuance services.	Please refer to the left column
	FN-CF-230a.3	The method of identifying and mapping cybersecurity risks involves the following steps	Quantification	1. TDCC, through its Security Operations Center (SOC), adopts a proactive approach in monitoring and detecting unauthorized access to system data by hackers. It promptly identifies hidden malicious activities and effectively mitigates potential threats. 2. TDCC successfully implements its Privacy Protection Policy and Information Security Policy, which are regularly validated by regulatory authorities and third-party certifications (ISO 27001 and ISO 22301). In its daily operations, TDCC adopts a cybersecurity approach of "Zero Privilege," "Zero Tolerance," and "Zero Trust" to attain its information security objectives. 3. For the required risk definitions, cybersecurity attack incidents, and post-incident response mechanisms as specified by the indicators, please refer to Chapter 3.2 - Risk Management.	Please refer to the left column

Disclosure Topics	Indicator Codes	Disclosure Indicators	Nature of Subsides	Description	Page Number
Sales Operations	FN-CF-270a.1	Percentage of Employee Salaries Linked to Quantity of Product and Service Sales	Quantification	The salaries of TDCC employees are not linked to the quantity of product or service sales	Please refer to the left column
	FN-CF-270a.2	The approval rate for credit products and pre-paid products is determined by the customer's credit score (FICO) being greater than 660 or equal to 660.	Quantification	Not applicable TDCC is primarily involved in non-physical issuance registration, centralized depository, book-entry allocation, and clearance services for securities, as well as clearance services for short-term commercial paper. The Company does not provide credit services, and thus this item is not applicable.	Please refer to the left column
	FN-CF-270a.3	For customers with a FICO score greater than or equal to 660, the Company considers the average annual interest rate, average account tenure, average number of accounts held, and annual fee for additional customer products, such as identity theft protection. TDCC is committed to providing comprehensive financial services to all customers, regardless of their credit score.	Quantification	Not applicable TDCC is primarily involved in non-physical issuance registration, centralized depository, book-entry allocation, and clearance services for securities, as well as clearance services for short-term commercial paper. The Company does not provide credit services, and thus this item is not applicable.	Please refer to the left column
	FN-CF-270a.4	The regulatory authority provides statistics on the number of customer complaint cases, the percentage of cases resolved through mediation, the percentage of failed mediations, and the number of cases entering the arbitration process.	Quantification	<ol style="list-style-type: none"> In 2023, there were zero customer complaint cases reported based on the regulatory authority's statistics. Additionally, a website feedback section was established on the official website. In 2023, there were a total of 355 submissions, all of which were business-related suggestions. All feedback has been addressed and resolved. <p>Note: The Financial Supervisory Commission is the regulatory authority referred to in this report. TDCC is a government-chartered institution in the financial industry and operates as a peripheral unit under the commission's supervision. The Company receives comprehensive guidance and management from the commission.</p>	Please refer to the left column
	FN-CF-270a.5	Total amount of financial losses due to product sales and service-related legal disputes	Quantification	<ol style="list-style-type: none"> In 2023, TDCC did not suffer any financial losses resulting from legal disputes related to product sales and services. Please refer to 3.1 Corporate Governance 	Please refer to the left column
Activity indicators	FN-CF-000.A	The following are the number of accounts provided: (1) Credit cards (2) Prepaid debit cards	Quantification	Not applicable TDCC is a centralized depository and clearance institution for securities and short-term securities. The main business includes the non-physical issuance registration, centralized depository, book-entry allocation of securities, and clearance services for short-term securities. The issuance of debit cards and credit cards is not applicable as they are not offered.	Please refer to the left column
	FN-CF-000.B	The following are the number of accounts provided: (1) Credit cards (2) Prepaid debit cards	Quantification	Not applicable TDCC is a centralized depository and clearance institution for securities and short-term securities. The main business includes the non-physical issuance registration, centralized depository, book-entry allocation of securities, and clearance services for short-term securities. The issuance of debit cards and credit cards is not applicable as they are not offered.	Please refer to the left column

SASB Materiality Map: <https://materiality.sasb.org/>

Please refer to the official website of the Sustainability Accounting Standards Board (SASB): <https://www.sasb.org>

Appendix 3 Third-Party Assurance Statement



Independent Assurance Statement

Scope and Approach

Taiwan Depository & Clearing Corporation ("TDCC" or "the Corporation") commissioned **DNV Business Assurance Co., Ltd.** ("DNV" or "we") to undertake independent assurance over the 2023 Sustainability Report for the year ended 31 December 2023 ("the Report").

We performed our work using DNV's assurance methodology VeriSustainTM¹, which is based on our professional experience and international assurance best practices, including International Standard on Assurance Engagements 3000 (ISAE 3000) and the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

The Report also incorporated disclosures with reference to relevant sustainability reporting guidelines, such as the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standard for the Consumer Finance industry (version 2018-10) and the Recommendations of the Task Force on Climate-related Financial Disclosures.

We understand that the reported financial data and information are based on the data from the Corporation's Annual Report and Accounts, which are subject to a separate independent audit process. The Green House Gases Emission has been verified by third party, we tested transposition from these sources to the report.

Both the review of financial data taken from the Annual Report and the Green House Gases Emission are not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing the evaluation of reporting principles with a Type 1, Moderate level of assurance, according to the DNV VeriSustainTM Protocol and AA1000 Assurance Standard v3.

Responsibilities of the Directors of Taiwan Depository & Clearing Corporation and of the Assurance Providers

The Directors of TDCC have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of TDCC; however, our statement represents our independent opinion and is intended to inform all of TDCC stakeholders.

DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV has provided further services to the Corporation, none of which constitutes a conflict of interest with the current assurance engagement under the established policies and procedures.

DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Basis of Our Opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at the Corporation and site level. We undertook the following activities:

- Review of the current sustainability issues that could affect TDCC and are of interest to stakeholders.
- Review of TDCC's stakeholder engagement approach and recent outputs.
- Review of information provided to us by TDCC on its reporting and management processes relating to the Principles.
- Interviews with selected senior managers responsible for the management of sustainability issues and review of selected evidence to support the issues discussed.
- Site visits to TDCC's Headquarters in Taipei and data checks with the Corporation's major subsidiary, Fund Rich Securities Co., Ltd., also in Taipei, to assess processes and systems for preparing site-level data and implementing sustainability strategies.
- Review of supporting evidence for key claims and 2023 data in the Report, as reported information beyond 2023 is not within the scope of the current engagement. Our checking processes were prioritised according to materiality, and we based our prioritisation on the materiality of issues at the consolidated corporate level.
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation. Where data on financial performance and greenhouse gas emissions had been checked by other assurance providers or engagements, we tested the transcription from these sources to the Report.
- An independent assessment of TDCC's reporting according to the Global Reporting Initiative (GRI) Sustainability Reporting Standards.
- The verification was conducted based only on the Chinese version Report.

¹ The VeriSustainTM Protocol is available on dnv.com



Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe TDCC's adherence to the Principles.

In terms of reliability of the performance data, in accordance with Moderate level assurance requirements, nothing came to our attention to suggest that these data have not been properly collated from the information reported at the operational level nor that the assumptions used were inappropriate.

Observations

Without affecting our assurance opinion, we also provide the following observations.

- As developing longer-term sustainability strategies made, we encourage the Corporation to broaden the basis of continuous engagement with potential stakeholders.
- On the basis of current material topics identified, we encourage the continual development of systematic and long-standing impact management, guided by appropriate policies and processes.
- We acknowledge the important efforts in incorporating the concept of impact and encourage the development of sensible indicators and targets that address the Corporation's unique role in the industry.

Stakeholder Inclusiveness

The Corporation has identified the expectations of stakeholders through internal mechanisms in dialogue with different groups of stakeholders. The stakeholder concerns are well identified and documented, and the significant sustainability issues identified through this process are reflected in the Report.

Sustainability Context

The Report provides an accurate and fair representation of the level of implementation of related corporate sustainability policies and meets the content requirements of the GRI Standards.

Materiality

The process developed internally has not missed out any significant, known material issues, and these issues are fairly covered in the Report. A methodology has been developed to evaluate the priority of these issues.

Completeness

The Report covers performance data against the GRI Standards disclosures that are identified as material within the Corporation's reporting boundary. The information in the Report includes the Corporation's most significant initiatives or events that occurred in the reporting period.

Accuracy and Reliability

The Corporation has developed the data flow for capturing and reporting its sustainability performance. In accordance with Moderate level assurance requirements, we conclude that no systematic errors were detected which causes us to believe that the specified sustainability data and information presented in the Report are not reliable.

Impact

The Corporation presents the impacts related to its identified material topics by measuring and monitoring impacts through appropriate performance metrics demonstrating outcomes and outputs of its value creation processes. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Impact.

For and on behalf of DNV Taiwan

Date: 15 April, 2024

Nasa Chen
Lead Verifier
Business Assurance
DNV Taiwan

Statement Number: C666379-2023-AG-TWN-DNV

David Hsieh
District Manager,
Business Assurance
DNV Taiwan



AA1000
Licensed Assurance Provider
000-10



11F No.363, Fushin N. Rd., Taipei, Taiwan, R.O.C.

Tel:02-2719-5805 Fax:02-2719-5403

<https://www.tdcc.com.tw>