2025
Annual Report

Taiwan Depository & Clearing Corp.



TDCC

2025

ANNUAL REPORT

TDCC

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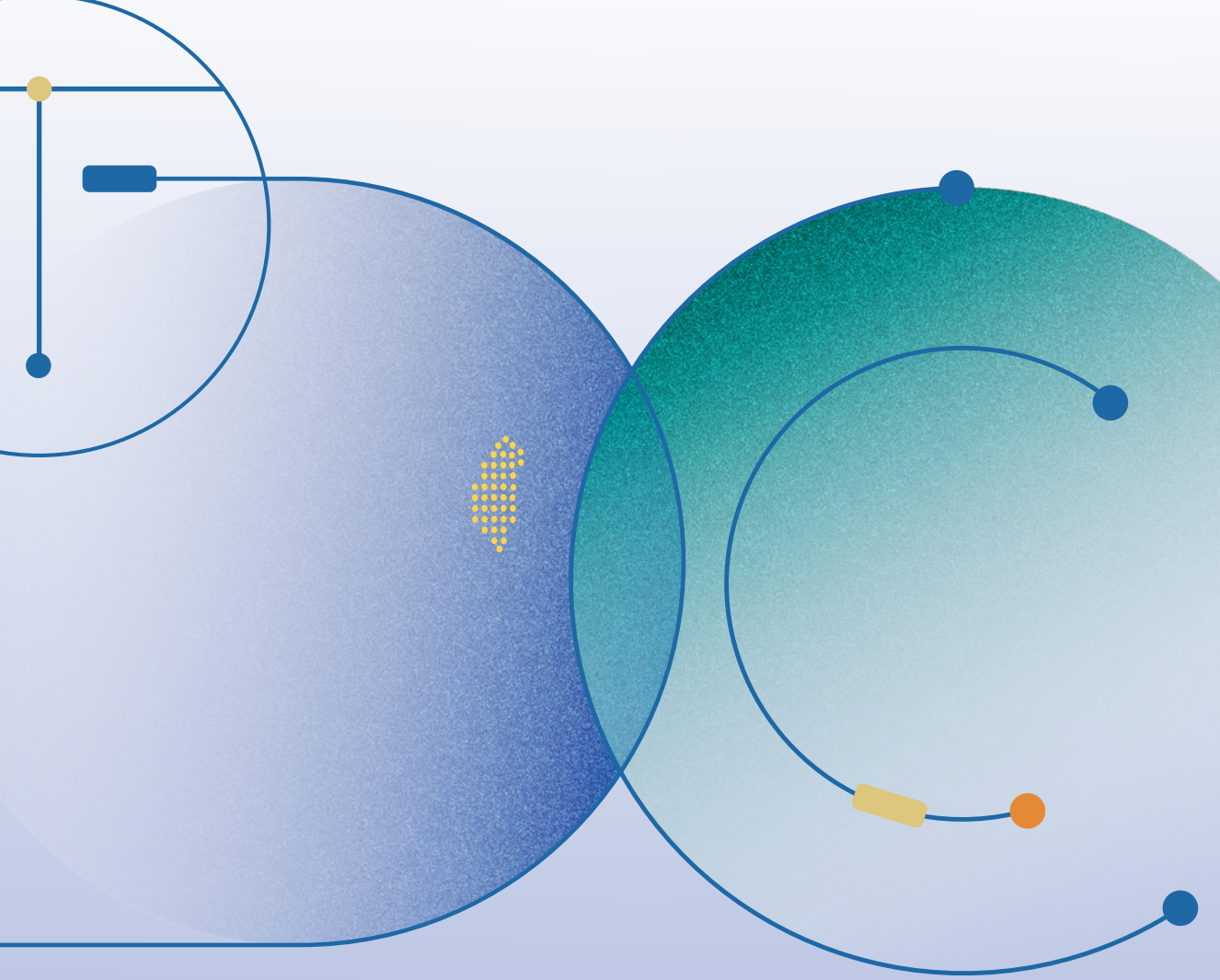
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Chairman

Letter to the Shareholders

To the shareholders of TDCC:

In 2025, the continuous acceleration of global industrial and technological development, coupled with the surging demand for artificial intelligence (AI) and high-performance computing, significantly bolstered Taiwan's export momentum. The annual economic growth rate reached 8.63%, a 15-year high. The capital markets demonstrated robust vitality with rising prices and volumes; the average daily trading value across the TWSE, TPEx, and Emerging Stock Market hit a record high of NT$ 536.8 billion. Driven by this overall market momentum, the total market value of assets under custody by the Taiwan Depository & Clearing Corporation (TDCC) surpassed NT$ 130.95 trillion by the end of 2025, representing a 21.96% year-on-year increase. This result underscores TDCC's steady achievements in financial infrastructure and innovative services.

To align with the promotion of our Business-to-Consumer (B2C) inclusive finance services, we have officially introduced our first mascot in 36 years: "The Owl (A-Ying)". Known for their natural wisdom, night vision, and around-the-clock vigilance, the owl perfectly embodies TDCC's core role in operating 24/7 systems to safeguard investor assets. This mascot represents our commitment to "Wise Insight and Zero Error" and symbolizes our unwavering dedication to precision, reliability, and trustworthiness in protecting all financial assets.

Upholding this mission, TDCC continues to pursue three major strategic visions: Enhancing Depository Platform of Financial Asset, Leading Digital Innovation in Financial Services, and Promoting Sustainable Development of the Financial Market. With financial infrastructure at our core, we are steadily advancing market upgrades while expanding innovative services to create a more efficient, resilient, and competitive development environment for Taiwan's capital markets.

Policy Implementation and Market Development

In alignment with the Financial Supervisory Commission's (FSC) initiative to "Establish Taiwan as an Asian Asset Management Center," TDCC developed the Taiwan Individual Savings Account (TISA) reporting and inquiry platform. Since its launch in late June 2025, over 80,000 people have participated within six months. Through expert-curated selections, segregated account management, low entry thresholds (starting at NT$ 1,000), and reduced management fees, the platform supports investors in cultivating medium- to long-term, disciplined, and diversified investment habits, thereby strengthening the third pillar of retirement protection and enhancing financial resilience. As of year-end 2025, a total of 23 asset management companies have launched 38 TISA-class funds, while 10 distribution institutions currently provide related services, with investment channels and product offerings continuing to expand.

FinTech and Tokenization Innovation

TDCC has actively participated in the FSC's Real World Assets (RWA) Tokenization Task Force, completing a Proof of Concept (PoC) report in September 2025. Research indicates that RWA tokenization can enhance liquidity through asset fractionalization while offering the advantages of transparency and security inherent in blockchain technology. We are also planning the platform's construction, operation, and regulatory framework. Furthermore, we are coordinating with the Central Bank to promote the "Delivery-versus-Payment (DVP) for Tokenized Securities and Wholesale Central Bank Digital Currency (wCBDC)" trial, laying the groundwork for future tokenized financial infrastructure and bridging digital and traditional financial assets.

Upgrading Digital Services

By the end of 2025, the "TDCC ePassbook" App reached 6.67 million users. TDCC has also spearheaded "Open Banking 3.0" in partnership with four banks. Since November 2025, investors have been able to use the App to perform NTD fund transfers, convert demand deposits to time deposits, and terminate time deposits early, continuously enhancing the digital financial experience. To further digitalize shareholder services and expand electronic signature applications, we established the "Shareholder Services e-Counter" (eCounter platform). This platform allows shareholders to apply online for account opening and basic information changes via digital signatures. Within six months of its launch, 2,081 companies have signed up, and nearly 40,000 applications have been processed, driving shareholder services into a new era of digitalization.

Enhancing Fund Market Services

In 2025, total receipts and disbursements through the TDCC Fund Trading Platform reached NT$ 420.7 billion. We also launched the "Multi-Account Settlement Mechanism for the Onshore Fund Centralized Clearing Platform," which effectively reduced interbank remittance fees by approximately 60%. Additionally, the "Fund Financing Collateral Service" was officially launched, allowing investors to pledge funds as collateral for loans from securities finance enterprises, thereby increasing capital utilization flexibility.

Market Efficiency and Operational Resilience

By the end of 2025, the number of securities accounts in Taiwan reached 13.53 million. TDCC continues to expand Straight-Through Processing (STP) services and automated data collection mechanisms. We have also completed system enhancements that allow head offices of securities firms to centrally collect reports, assisting them in resource integration and operational efficiency.

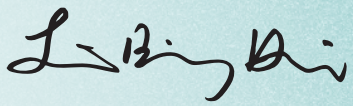
Promoting Sustainable Development

In collaboration with the Bills Finance Association, TDCC introduced "Sustainability Development Bills," encouraging enterprises to utilize short-term funds from the bills market for sustainability-related projects. Simultaneously, we launched the "Digital Stewardship Services," which integrates item-by-item voting disclosure, automated digital stewardship report generation, and financed carbon emissions calculation tools. This assists institutional investors in strengthening ESG governance and aligning their voting and performance disclosure with international standards.

Facing challenges such as global supply chain restructuring, geopolitical risks, and rapid technological shifts, TDCC remains committed to its original purpose of serving the market and upholding its core value of integrity. As Dr. Jane Goodall once said: "What you do makes a difference, and you have to decide what kind of difference you want to make."

Looking ahead, "A-Ying" will walk alongside all our colleagues. Under our core philosophy of "Financial Infrastructure for a Digital and Inclusive Future," we will realize our commitment to "More Care, Care More." We will continue to strengthen system resilience, focus on emerging technologies like AI and RWA tokenization, and optimize operational processes. By extending our services to financial institutions, issuers, government agencies, and the general public, we aim to create innovative, user-friendly, and efficient customer experiences, sharing the fruits of financial prosperity with society and moving toward a more resilient and inclusive financial future.

Taiwan Depository & Clearing Corporation

Chairman 



Overview of Operations





President **Daniel Chen**

Under the guidance of the competent authorities, TDCC has continued to enhance its critical financial market data preservation mechanisms, strengthen cybersecurity monitoring and incident response capabilities, and establish a robust and resilient cybersecurity foundation to support the development of innovative digital financial market services, thereby improving market stability and operational efficiency. Key business priorities for 2025 included: enhancing the efficiency of onshore fund collection and disbursement; establishing supporting measures for the Taiwan Individual Savings Account (TISA) framework; advancing Cross-Border Custody Services for securities firms engaging in sub-brokerage business; improving diversified digital shareholder e-services; and optimizing market clearing and settlement operations. These initiatives aimed to reinforce the back-end infrastructure of the financial market and enhance overall operational efficiency.

TDCC has actively cooperated with the competent authorities to deliver diversified regulatory services in response to the evolving needs of financial market development, while continuously refining clearing, settlement, and book-entry transfer operations to ensure stable market functioning. In addition, TDCC is committed to providing comprehensive and user-friendly digital services for market participants and investors, promoting financial inclusion. It has also taken concrete actions toward achieving net-zero greenhouse gas emissions for Scope 1 and Scope 2 by 2030, while aligning with international sustainability disclosure standards and advancing ESG practices, all of which have yielded substantial and measurable results.

TDCC's 2025 business overview and 2026 business plan are presented in the following paragraphs.

2025 Business Overview

I.Major Business Development Projects

(I) Provision of Digital Financial Services to Promote Financial Inclusion

1. Establishment of the Taiwan Individual Savings Account (TISA) Framework, with Initial Launch Focused on Mutual Funds

   In alignment with the competent authorities' policy to position Taiwan as an Asian Asset Management Center and to complement the third pillar of the national retirement system, TDCC has undertaken the overall planning and establishment of the Taiwan Individual Savings Account (TISA) framework. Through a structured design, the TISA framework aims to encourage the public to adopt disciplined, medium- to long-term investment practices, enhance asset allocation capabilities, and reinforce the long-term capital momentum of the domestic capital market.

   The first phase of the TISA framework was officially launched on June 30, 2025, initially focusing on mutual fund products. By incorporating fee concession mechanisms offered by asset management companies, the framework provides investment options aligned with long-term investment objectives. In addition, the dedicated account structure enhances investment management efficiency and information transparency. As of the end of 2025, a total of 23 asset management companies and 38 mutual funds have participated in the program. Going forward, in line with policy directions, TDCC will continue to evaluate the inclusion of a broader range of financial products, such as exchange-traded funds (ETFs), and further refine the framework and participation mechanisms. These efforts are intended to enhance investor engagement, strengthen the retention of long-term capital, and inject stable growth momentum into Taiwan's capital markets.

2. Collaboration with the Central Bank to Complete the Proof of Concept (PoC) for Wholesale CBDC and the TDCC Tokenization Platform

   In support of the Central Bank's policy on wholesale central bank digital currency (wCBDC), TDCC actively participated in the proof of concept (PoC) project for wCBDC and the TDCC tokenization platform, and conducted delivery-versus-payment (DVP) testing. In this PoC, corporate bonds and financial bonds were selected as the underlying assets and tokenized on a 1:1 basis. Regarding the cash leg, participating financial institutions first deposited wCBDC into TDCC's omnibus custody account on the tokenized cash platform established by the Financial Information Service Co., Ltd. under delegation from the Central Bank. The TDCC tokenization platform then converted such balances into settlement tokens on a 1:1 basis, thereby validating the feasibility of synchronized settlement between tokenized securities and tokenized funds. TDCC invited four financial institutions—Taishin International Bank, Hua Nan Bank, International Bills Finance Corporation, and Yuanta Securities—to jointly participate in the trial. The final report was completed on December 29, 2025, receiving

positive recognition from the Central Bank. The Central Bank also recommended further expansion and refinement of the testing platform, along with the planning of subsequent pilot simulations under near-real conditions, to serve as a foundation for future commercialization and implementation.

3. Supporting the Operation of the RWA Tokenization Task Force and Conducting PoC Projects for Tokenized Foreign Bonds and Funds

   In alignment with the Financial Supervisory Commission's Real World Assets (RWA) Tokenization Task Force—specifically the subgroup on foreign bonds and funds—a blockchain platform was established by an independent third party. TDCC assisted in developing the information systems required for the proof of concept (PoC), enabling the task force to conduct validation of tokenized underlying assets. By incorporating international practices and technical application cases, and integrating them with the practical needs of Taiwan's financial market, TDCC has, under the guidance of the competent authorities, promoted the development of infrastructure for the tokenization of securities.

   The project was concluded with the completion of the final report on September 25, 2025. The PoC results demonstrated that RWA tokenization can enhance transaction efficiency, improve information transparency, and strengthen settlement security. The outcomes have been submitted to the competent authorities as an important reference for subsequent policy planning and development.

4. Formation of a Task Force to Develop an RWA Tokenization Platform of Securities and Futures Peripheral Institutions, Completion of Legal Characterization Research in Taiwan

   In response to the global trend of RWA tokenization, TDCC collaborated with Taiwan Stock Exchange, Taipei Exchange, and Taiwan Futures Exchange to jointly establish the "Task Force for the Development of an RWA Tokenization Platform of Securities and Futures Peripheral Institutions" on September 1, 2025. This task force coordinates efforts among participating institutions to conduct a comprehensive study on operational models for securities-based RWA tokenization, platform system architecture, and the necessary supporting legal and regulatory frameworks, with the aim of progressively developing a practicable implementation model.

   With respect to legal and regulatory considerations, TDCC commissioned a research team from the College of Law, National Chengchi University, in 2025 to examine the legal characterization of RWA tokens and their underlying RWA under Taiwan law, including key issues related to regulatory adaptation. Drawing on the findings of this research, TDCC has formulated a feasibility assessment and proposed framework for enabling the tokenization of securities-based RWAs, which has been submitted to the competent authorities as a reference for future policy development.

5. Establishment of a Private Fund Investment Platform to Enhance the

Development Environment for Private Funds

In alignment with the competent authorities' policy to position Taiwan as an Asian Asset Management Center, TDCC established a "Private Placement Product Information Portal" within the Fund Clear, which was officially launched on October 27, 2025. This dedicated platform integrates information on private placement funds issued by securities investment trust enterprises, as well as private equity funds in which their subsidiaries act as general partners. It provides qualified investors with a one-stop inquiry service, while comprehensively covering functions such as fund issuance registration, information disclosure, transaction transmission, and settlement of payments. Through these mechanisms, the platform enhances and strengthens the overall ecosystem of private placement fund products.

6. Hosting an Innovative Digital Financial Services Proposal Competition to Advance Innovation and Financial Inclusion

To support the policy initiatives of the Financial Supervisory Commission in promoting financial inclusion and digital financial innovation, TDCC, in collaboration with the Financial Supervisory Commission, the Taiwan Academy of Banking and Finance, and the FinTechSpace, jointly organized the "Innovative Digital Financial Services Proposal Competition." The competition centered on financial inclusion as its core theme, with a focus on three key target groups—senior citizens, youth, and small and medium-sized enterprises (SMEs). Through an open call for proposals, financial institutions, technology firms, academic institutions, and the general public were invited to submit innovative service concepts. Submissions were evaluated in thematic categories to ensure a structured and rigorous selection process. By facilitating this initiative, TDCC aims to translate innovative fintech concepts into practical applications, enhance the accessibility and relevance of digital financial services for diverse customer segments, and stimulate the development of diversified, market-driven solutions and actionable recommendations.

(II) Provide Comprehensive Services to Meet the Needs of Overall Market Development

1. Adjustment of the Minimum Trading Unit for the Gold Trading Platform from "Tael" to "Mace" and Corresponding Revisions to Regulations and Systems

In alignment with the initiative to expand the physical gold market and encourage participation from younger investors, the Taipei Exchange (TPEx) has implemented a reduction in the minimum trading unit on the physical gold trading platform, from one tael to one mace. In response to this adjustment, TDCC has revised the operational guidelines governing physical gold business and updated related systems and documentation, including custody unit conversions, trade execution and settlement data, and physical gold withdrawal processes. These enhancements were officially launched on October 1, 2025.

2. Enhancing the Virtual Matching Utility (VMU) Services in Response to the Global Trend of Shortened Settlement Cycles

In response to the global trend toward shortened settlement cycles

and to alleviate operational pressures on foreign institutional brokers and custodian institutions arising from time zone differences, TDCC has extended the Straight-Through Processing (STP) and automated file receipt service hours of the Virtual Matching Utility (VMU) to midnight. In addition, a new function has been introduced whereby, upon reconciliation confirmation via STP by custodians, the system will automatically execute securities delivery for sell-side settlements. These enhancements improve reconciliation efficiency and automation capabilities, while proactively preparing for future settlement cycle shortening.

3. Enabling Foreign Investors to Appoint Multiple Custodian Institutions and Introducing Book-Entry Transfer Functions for Overseas Financing Secured by Taiwan Equities

   To enhance the attractiveness of Taiwan's capital market to foreign investors, the Financial Supervisory Commission has, effective 2025, permitted Foreign Institutional Investors (FINIs) to appoint more than two custodian institutions. In response, TDCC has revised the relevant operational guidelines, business procedures, and system functionalities, and officially launched a more flexible custodian arrangement mechanism on February 24, 2025, thereby improving investment convenience and operational efficiency for foreign investors. Furthermore, in line with the competent authority's policy allowing foreign investors to obtain overseas financing secured by Taiwan-listed equities, TDCC has coordinated with front-end trading operations to develop and implement book-entry transfer functions for pledge registration, facilitating such financing arrangements.

4. Addition of Digital Certificate and Targeted Push Notification Functions to the TDCC ePassbook App to Facilitate Access to Diverse Digital Services and Enhance Information Transparency

   In light of the TDCC ePassbook App surpassing 6.6 million registered accounts by the end of 2025, with more than 4 million users actively utilizing consolidated account services, TDCC has introduced a feature enabling investors to apply for and obtain digital certificates from TWCA via the App. These certificates can be used to access a wide range of digital financial services. The service was officially launched on December 29, 2025.

   In addition, to support the promotion of the Taiwan Stock Exchange WebPro 3.0 video information platform, TDCC has incorporated direct access links within the App, allowing investors to conveniently view live and archived content such as institutional investor conferences and listing ceremonies. A dedicated information section has also been added to provide access to relevant securities market resources and updates on recent major events.

5. Establishment of a Multi-Account Payment Mechanism for the Onshore Fund Centralized Clearing Platform to Enhance Settlement Efficiency and Reduce Market Costs

   To improve operational efficiency and overall competitiveness in the onshore fund market, TDCC has drawn on the development experience of major international markets to optimize the payment framework of

the centralized clearing platform. The original single-account collection and disbursement model has been upgraded to a more flexible multi-account payment mechanism. This new mechanism enhances fund allocation efficiency, strengthens settlement stability, and effectively reduces interbank remittance and operational costs for market participants.

This initiative has been approved by the competent authority and was officially launched on December 22, 2025. The new mechanism provides the market with more flexible, efficient, and cost-effective payment services, contributing to improved operational performance across the fund industry and enhancing the overall attractiveness of the market, while further strengthening Taiwan's capital market infrastructure.

6. Enabling Securities Firms to Obtain Financing from Securities Finance Enterprises Using Client-Subscribed Funds as Collateral to Enhance Capital Utilization Efficiency

   In line with the competent authority's policy permitting fund positions subscribed by securities firm clients via TDCC's fund trading platform to be used as collateral for lending by securities finance enterprises, TDCC has introduced new system functionalities to support this mechanism. Under the enhanced framework, investors may, through securities firms acting in their own name, pledge subscribed fund units as collateral to securities finance enterprises and apply for financing. This service was officially launched on October 20, 2025, enabling investors to obtain short-term funding by leveraging their onshore fund holdings.

7. In Alignment with Competent Authorities to Facilitate Proprietary Dealers' Engagement in Self-Trading of Designated Foreign Bonds, TDCC Establish an Information Platform to Enhance Transparency

   In alignment with the competent authority's policy to promote innovative market mechanisms, proprietary dealers have been permitted to engage in the trading of fractional amounts of foreign bonds below the minimum issuance threshold, defined as designated foreign bonds. In response, TDCC has established a "Designated Foreign Bond Information Platform," which was officially launched on September 30, 2025.

   The platform requires proprietary dealers to upload daily data on prior-day transactions and outstanding balances, thereby enhancing information transparency. Through this platform, investors can access and verify their transaction details, further strengthening investor protection and reinforcing market confidence.

8. Research and Development of a Mechanism for Distributing Cash Dividends in Foreign Currency in Response to Market Demand

   In alignment with the policy direction of the competent authority and the financial planning needs of issuing companies, TDCC has assisted in studying and formulating a mechanism enabling issuers to distribute cash dividends in foreign currency to foreign shareholders. As this

mechanism involves adjustments to existing regulatory frameworks and market practices, TDCC has convened relevant stakeholders—including issuing companies and custodian banks—to jointly deliberate on the planning and implementation of foreign currency dividend distribution.

In addition, TDCC commissioned the Stock Affairs Association to conduct a dedicated study. On November 28, 2025, the Association submitted a practical opinion report titled "Feasibility of Issuers Paying Cash Dividends in Foreign Currency," which will serve as a reference for subsequent system design and policy planning.

(III) Assisting the Competent Authority in Strengthening Corporate Governance and Advancing Sustainable Development through Digital Shareholder e-Services

1. Planning and Establishment of the "Shareholder Affairs e-Counter" Platform to Enable Digital Processing of Shareholder Affairs

   In alignment with the amendments to the Electronic Signatures Act, TDCC has developed the "Shareholder Services e-Counter" (eCounter) platform and has progressively expanded its functionalities in phases. On May 19, 2025, the platform enabled shareholders to apply for account opening and changes to basic information via a web browser interface. In addition, shareholders may utilize digital certificates to execute digital signatures and complete shareholder service applications online with issuing companies or their share registrars. Subsequently, by the end of December 2025, a mobile version was launched, allowing shareholders to log in using a Mobile Citizen Digital Certificate or a TWSE digital certificate applied for through the TDCC ePassbook App, thereby facilitating account opening and basic information updates via mobile devices.

2. In Response to ACGA Recommendations, Reviewing International Regulations and Practices on Video-Only Shareholders' Meetings and Providing Legislative Amendment Recommendations to the Competent Authority

   In response to the Asian Corporate Governance Association's CG Watch 2023 report, which noted that Taiwan's conditional restrictions on convening video-only shareholders' meetings may pose a risk of a downgrade in corporate governance ratings, TDCC assisted the competent authority in collecting and analyzing the latest international regulatory frameworks and market practices concerning video-only shareholders' meetings. This included verifying whether similar observations were made regarding other jurisdictions in the CG Watch 2023 report, as well as gathering feedback from relevant stakeholders on Taiwan's current regulatory regime. The findings serve as a basis for evaluating the feasibility of potential legislative amendments.

3. Collecting International Regulatory Frameworks and Practical Insights to Propose Concrete Recommendations for Taiwan's Sustainability Rating Mechanism

   In support of the competent authority's initiative to strengthen the supervisory framework for sustainability rating agencies in Taiwan, TDCC assisted in evaluating the feasibility and appropriateness of the Draft Code of Conduct

for Sustainability Rating Agencies. Drawing on case studies from the European Union and the United Kingdom, as well as practical insights from international organizations and four domestic and international sustainability rating agencies, TDCC examined the adoption of internationally recognized codes of conduct for sustainability rating agencies. Based on these findings, TDCC proposed revisions to its relevant internal regulations and submitted the proposed framework to the competent authority for reference.

4. Supporting the Promotion of Proxy Advisory Services, Joint Development with Securities and Futures Institute (SFI) for Voting Policies, Operational Manuals, and Recommendation Reports

   In alignment with the competent authority's initiative to establish a policy framework for proxy advisory services in Taiwan, TDCC collaborated with the Securities and Futures Institute to form a dedicated proxy advisory project task force. The task force conducted research and analysis on voting policies and recommendation reports issued by international proxy advisory firms, and, with reference to Taiwan's regulatory requirements and relevant policy frameworks, developed voting policies and an operational manual for proxy advisory services. During the pilot phase, the task force selected target companies and prepared monthly proxy voting recommendation reports on shareholder meeting agenda items. Following review and approval by an expert advisory committee, these reports were provided to government funds and related institutions for reference.

5. Provision of Services for Institutional Investors' Item-by-Item Voting Disclosure and Financed Emissions Calculation

   In response to initiatives advocated by the Asian Corporate Governance Association encouraging institutional investors in Taiwan to disclose their shareholder voting decisions on an item-by-item basis, as well as the phased regulatory requirement for institutional investors to disclose the carbon footprint of their investment portfolios, TDCC has developed and launched related services. These services provide institutional investors with digitalized information required for the preparation of stewardship reports and enhanced system functionalities, including item-by-item voting disclosure and financed emissions calculation. The services were officially launched on July 10, 2025.

6. Conducting Shareholders' Meeting Audits to Strengthen Dispute Prevention and Safeguard Shareholder Equity

   In accordance with instructions from the competent authority and investor complaints, TDCC has strengthened its audit procedures concerning shareholder services operations and the conduct of shareholders' meetings of companies involved in disputes. TDCC has also provided practical insights and data analysis to the competent authority regarding draft regulatory amendments and shareholder services–related issues.

   In addition, with respect to proxy solicitation by foreign shareholders, particularly where potential restrictions may apply to ultimate beneficial owners with controlling interests, TDCC has revised the Standard

Rules for Internal Control System of Shareholder Services Units. TDCC has also explored improvement measures addressing unclaimed cash dividends accumulated over the years by shareholders. To this end, it has convened the Stock Affairs Association, the Securities Firms Association, and both in-house and third-party shareholder services providers to jointly develop feasible solutions, which have been submitted to the competent authority for reference.

7. Evaluation and Planning for the Establishment of an Electronic Proxy Solicitation Reporting Platform to Enhance Information Transparency and Regulatory Efficiency

   In alignment with the competent authority's initiative to promote the digitalization of shareholder services, TDCC is evaluating the establishment of a platform mechanism that enables proxy solicitors to electronically upload proxy solicitation materials. This initiative also includes assessing the feasibility of standardized data structuring for solicitation information and the provision of regulatory inquiry functions, along with the necessary supporting measures. TDCC has engaged in consultations with relevant stakeholders and industry participants to jointly develop concrete planning proposals, which will be submitted to the competent authority for reference. Subject to successful implementation, this initiative is expected to enhance the timeliness and transparency of proxy solicitation disclosures, strengthen regulatory oversight, and reinforce investor confidence in corporate governance and the exercise of shareholder equity.

(IV) Assist the Competent Authority to Strengthen Market Supervision and Provide Diversified Supervisory Support Services

1. Enhancement of the Big Data Information Platform: Optimization of Foreign Investor Data Supervision and Provision of ETF Market Big Data Query Services

   To support the supervisory needs of the competent authority in monitoring investments by foreign and Mainland China investors, TDCC previously established a Foreign Investor Supervision Platform in June 2022 for regulatory access. In 2025, TDCC further enhanced the platform by introducing additional reporting functions, including "Daily Net Buy/Sell Positions of Foreign Investors" and "Monthly Foreign Capital Inflows and Outflows Reports," as well as optimizing the format of LINE-based text reports.

   In addition, to strengthen data support for ETF market supervision, TDCC plans to further enhance the Big Data Information Platform by the end of 2025. These enhancements will focus on functional modules related to foreign investor data and ETF market supervision, with the upgraded services to be made available for use by the competent authority.

2. Addition of Substantive Cross-Investment Determination Criteria to the "Capital Instrument Investment Inquiry Platform for Insurance Industry"

   In 2019, TDCC assisted the Insurance Bureau in establishing the

"Capital Instrument Investment Inquiry Platform for Insurance Industry," which serves as a foundational system for the capital adequacy management and supervisory oversight of the insurance industry. To support the Insurance Bureau in determining whether investments by domestic insurance companies and financial holding companies in instruments, such as capital-type debt or liability-type preferred shares, constitute substantive cross-investment, TDCC has enhanced the platform by incorporating additional assessment criteria and integrated reporting functionalities. Following verification that the system functionalities met the design requirements, the upgraded platform was officially launched on December 29, 2025.

3. Development of the "Query Platform for Standard Criteria Governing Internal Control Systems of Securities Firms" with Securities and Futures Peripheral Institutions to Provide a One-Stop Search Platform

   TDCC, in collaboration with securities and futures peripheral institutions, is planning and developing the "Query Platform for Standard Criteria Governing Internal Control Systems of Securities Firms" to consolidate comprehensive regulatory content and provide a one-stop search platform. The system will integrate key materials, including internal control and internal audit frameworks, audit checklists, and audit working papers. The project is scheduled for completion by July 2026. Upon implementation, both investors and securities firms will be able to access the platform through online query services, thereby enhancing operational efficiency, reducing administrative costs, and improving the accessibility of financial services, thereby effectively achieving the ESG net-zero carbon emission objectives.

4. Facilitation of International AML Exchanges to Support the Implementation of National Anti-Money Laundering Policies

   TDCC has assisted the Investigation Bureau, Ministry of Justice, the Ministry of Foreign Affairs, and the American Institute in Taiwan in organizing international training programs under the Global Cooperation and Training Framework (GCTF). In addition, TDCC has collaborated with the Executive Yuan's Anti-Money Laundering Office and the competent authority to host international AML seminars. Furthermore, in response to the implementation of amendments to the Money Laundering Control Act, TDCC has conducted industry outreach to promote its AML-related systems, enabling market participants to comply with regulatory requirements. Through these efforts, TDCC supports the competent authority in strengthening AML supervision and enforcement.

5. Review of Onshore and Offshore Fund Offering Applications to Support Market Development

   Beginning in 2025, the competent authority has delegated to TDCC the substantive review of offering applications for onshore funds (excluding ETFs and actively managed ETFs) and offshore funds subject to the filing-effective regime. For onshore and offshore fund applications subject to the prior approval regime, TDCC continues to conduct preliminary reviews to facilitate the competent authority's subsequent

examination process. In addition, to assist the competent authority in staying abreast of international practices and trends in fund review mechanisms, TDCC has conducted an analysis on the feasibility of shortening the current filing-effective period for onshore funds. TDCC has also proposed draft amendments to relevant regulations, along with concrete supporting measures, to serve as policy references for the competent authority.

6. Establishment of Audit Regulations for Securities Investment Trust Enterprises and Execution of Assigned Inspection Cases

   On March 19, 2025, the competent authority administratively delegated to TDCC the responsibility for conducting inspections of securities investment trust enterprises, covering their financial conditions, business operations, and internal audit functions, and authorized TDCC to formulate relevant rules governing the delegated matters. In 2025, TDCC completed the establishment of the regulatory framework for conducting inspections of securities investment trust enterprises and successfully carried out a total of 12 inspection cases assigned by the competent authority.

(V) Continuous Enhancement of Cybersecurity Defense Capabilities to Ensure Greater Operational Safety and Resilience

1. Implementation of Advanced Red Team Exercises to Enhance Risk Management Defense Capabilities and Cybersecurity Resilience

   To continuously improve cybersecurity protection measures and strengthen cybersecurity resilience, TDCC conducted advanced red team exercises with reference to the Insider Threat Mitigation Guide issued by the Department of Homeland Security of United States. In response to the need for enhanced operational resilience of critical infrastructure and strengthened emergency response mechanisms, the exercises focused on insider threat scenarios, with in-depth testing of TDCC's internal detection and isolation capabilities. Through these initiatives, TDCC aims to meet the requirements set forth under the Executive Yuan's "Financial Cybersecurity Action Plan 2.0," thereby enhancing overall risk management and cybersecurity defense effectiveness.

2. Establishment of Cross-Device Automated Orchestration Mechanisms to Strengthen Overall Cybersecurity Resilience and Monitoring Capabilities

   To ensure stable business continuity and enhance the efficiency of cybersecurity incident detection and response, TDCC has implemented a Security Orchestration, Automation, and Response (SOAR) platform. This platform is integrated with the existing Security Operations Center (SOC) framework and leverages predefined automated response workflows to initiate real-time mitigation actions upon detection of threats. By enabling coordinated, cross-device automated operations, TDCC accelerates incident response and containment, thereby effectively reducing cybersecurity risks.

3. Strengthening Internal Identity Authentication and Access Path Controls to

Establish the Foundation for Zero Trust Architecture Implementation

In alignment with the Reference Guidelines for Adopting Zero Trust Architecture in the Financial Sector issued by the Financial Supervisory Commission, TDCC has strengthened internal identity authentication mechanisms and access path controls to lay the groundwork for implementing a zero trust framework. In 2025, TDCC advanced the implementation of Level I compliance standards across two operational domains—system operation and maintenance management, and application system management—for both the AML/CFT Inquiry System and the Offshore Structured Products Reporting and Disclosure Platform (SN). These efforts establish a robust foundation for enhancing access security and reinforcing overall cybersecurity resilience.

(VI) Assisting the Competent Authority in Hosting Taiwan Week 2025 and Actively Participating in International Conferences

1. Assistance in Organizing Taiwan Week 2025

   To promote Taiwan's development as an Asian Asset Management Center, the Financial Supervisory Commission planned and hosted "Taiwan Week 2025" under the strategic positioning of "Asia Asset Management Center." TDCC collaborated with securities and futures peripheral institutions to contribute manpower and resources, presenting a diverse range of thematic sessions highlighting key policy developments in asset management. The event focused on advancing financial product innovation, promoting financial inclusion, and fostering ESG-driven sustainable development, while closely aligning with various action plans associated with the "Asian Asset Management Center" initiative. The event attracted approximately 28,000 participants and was successfully concluded.

2. Participated in International Forums to Exchange Experiences with International Counterparts, Enhancing International Visibility

   In response to the Financial Supervisory Commission's policy initiative to develop Taiwan into an Asian Asset Management Center, TDCC hosted the "2025 Taiwan Depository & Clearing Corporation ESG Service Forum – Advancing Toward an Asian Asset Management Center" on April 15, 2025. The forum featured keynote speeches delivered by representatives from the Asian Corporate Governance Association and the International Corporate Governance Network. In addition, more than 20 representatives from foreign institutional investors were invited to share practical insights and market experiences. The attending foreign institutional participants expressed strong recognition and left with a highly favorable impression of Taiwan's capital market.

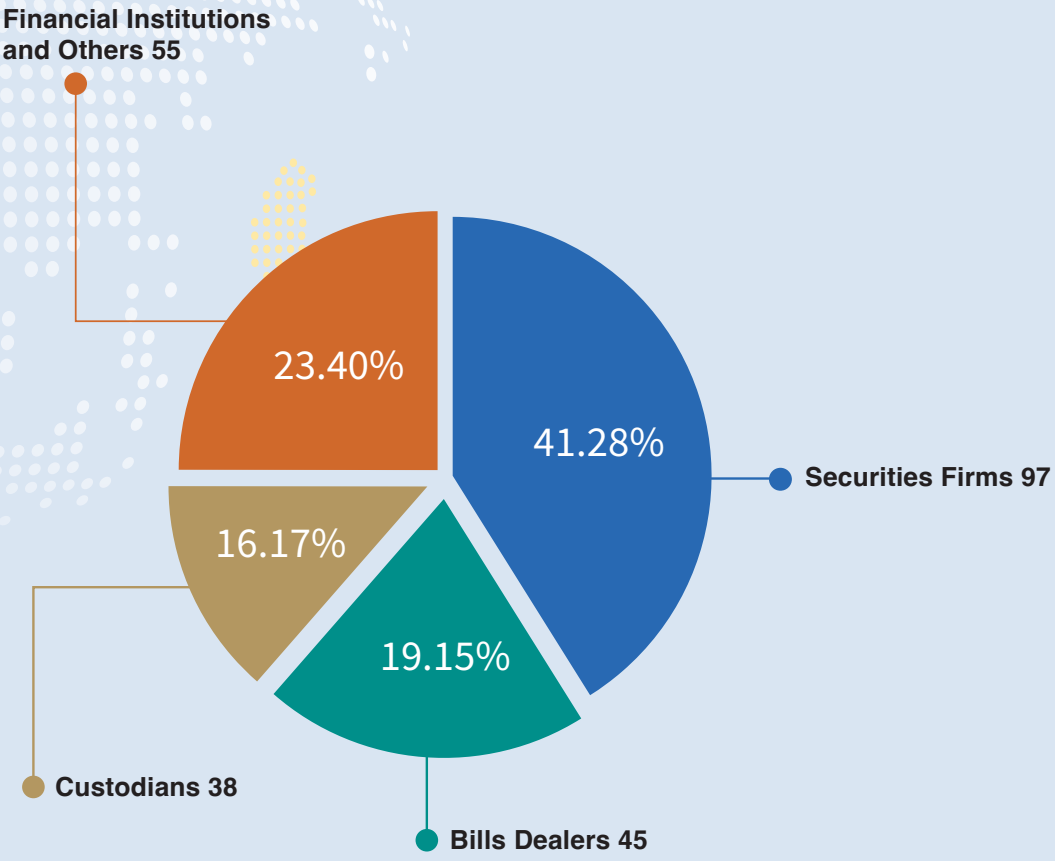
   TDCC also actively participates in international depository and clearing conferences, serving as a keynote speaker and engaging in cross-border exchanges. Through these platforms, TDCC shares the latest developments in financial technology applications, innovative value-added services, and sustainable finance, thereby enhancing the international visibility and competitiveness of Taiwan's capital market.

II Operational Performance

(I) Participants

TDCC has a total of 8,829 participants. Among them, 235 participants are engaged in book-entry transfer operations, including 97 securities firms, 45 bills dealers, 38 custodian institutions, and 55 other financial institutions. In addition, 8,594 participants are involved in issuance registration operations, comprising 3,292 issuers of dematerialized securities and 5,302 issuers of short-term bills.

Total Number of Participants for Book-Entry Transfer Operation: 235



Note: Participants engaged in issuance registration operations are excluded.

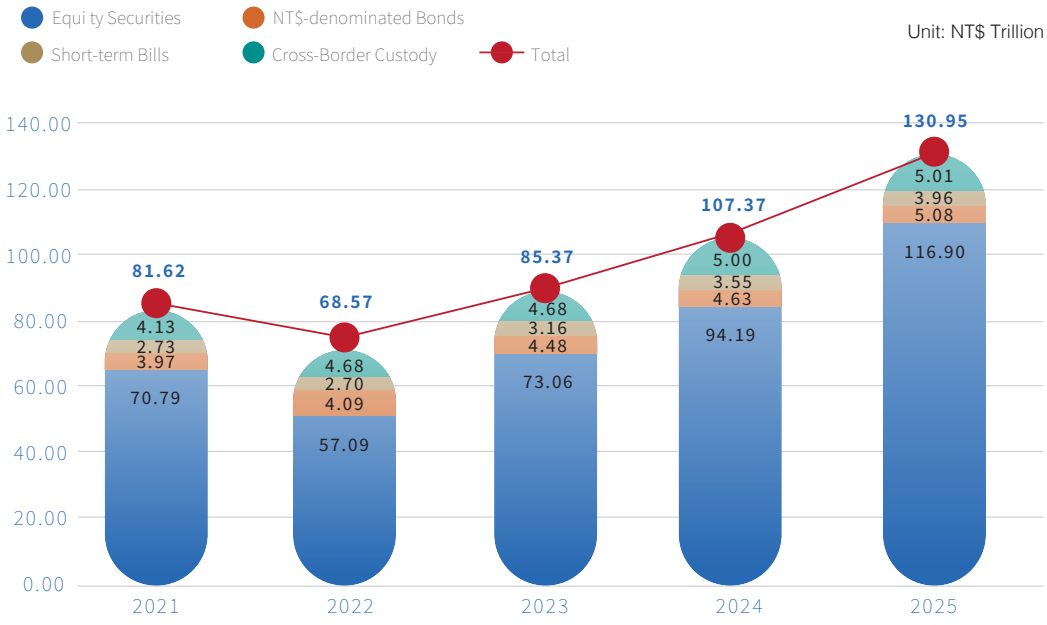
(II) Clearing and Settlement Business

In 2025, the volume of clearing and settlement operations was approximately NT$ 130.4 trillion (hereinafter the same) for equity securities, NT$ 124.3 trillion for fixed income products, NT$ 2.07 trillion for cross-border custody, and NT$ 0.4 trillion for mutual fund business. The total transaction volume reached NT$ 257.8 trillion, representing an increase of 6.8% compared to NT$ 241.4 trillion in 2024. In addition, the number of futures contracts processed on a commissioned basis was approximately 382 million lots, reflecting a decrease of 3.3% from 395 million lots in 2024.

	Equity Securities Market	Fixed Income Products		Cross-border Custody	Fund Market	Futures Market
		Bonds	Bills			
Total Transactions	NT$ 130.4 trillion	NT$ 10.3 trillion	NT$ 114 trillion	NT$ 2.07 trillion	NT$ 420.7 billion	382 million lots
Volume of Average Daily Transactions	NT$ 536.8 billion	NT$ 42 billion	NT$ 463.4 billion	NT$ 7.8 billion	NT$ 1.7 billion	1.57 million lots
Number of Daily Transactions	2.14 million	602	3,610	1,059	89,000	1.69 million

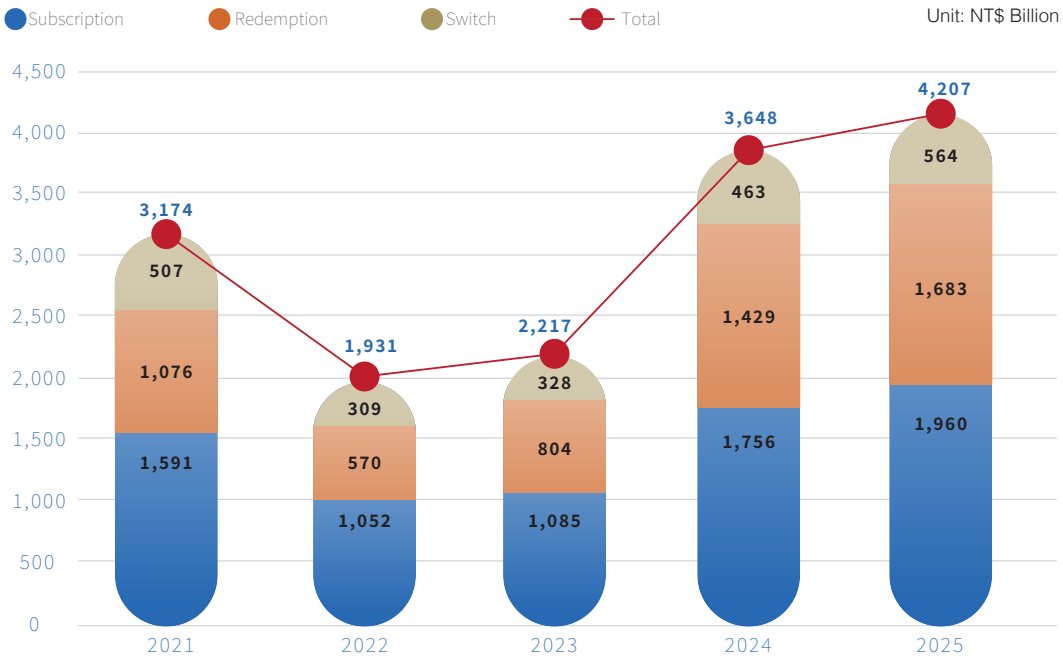
(III) Custody Business

In 2025, the total market value of assets under custody reached approximately NT$ 130.95 trillion. This included NT$ 116.9 trillion in equity securities, NT$ 5.08 trillion in NTD-denominated bonds, NT$ 3.96 trillion in short-term bills, and NT$ 5.01 trillion in cross-border custody. The total balance increased by approximately 21.96% compared to NT$ 107.37 trillion in 2024.



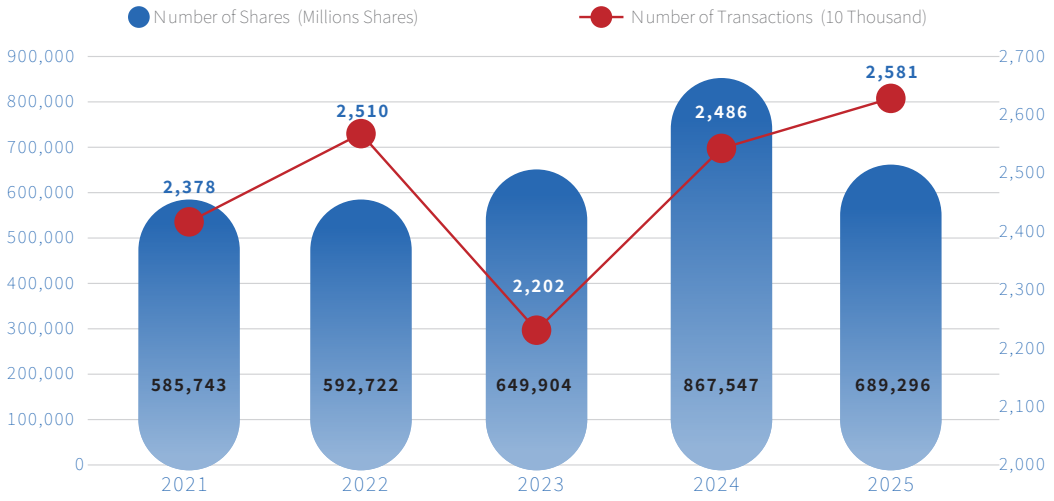
(IV) Fund Business

In 2025, the payment and receipt operations of the fund trading platform amounted to approximately NT$ 196.0 billion for subscription, approximately NT$ 168.3 billion for redemption, and approximately NT$ 56.4 billion for switch, totaling NT$ 420.7 billion. This represents a 15.3% increase compared to the transaction volume of NT$ 364.8 billion in 2024.



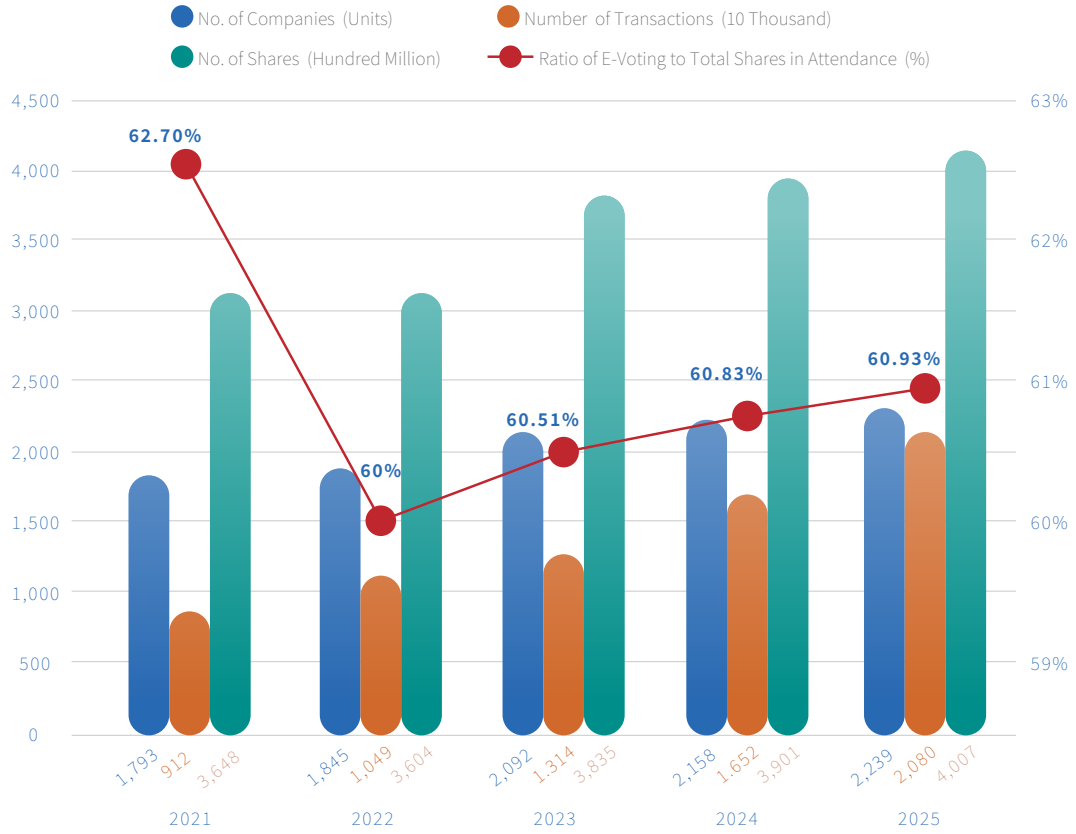
(V) Book-Entry Distribution Operations

In 2025, 25.81 million entries were processed for the book-entry distribution of equity securities in the ledger, amounting to 689,296 million shares.



(VI) E-Voting Business

In 2025, a total of 2,239 listed on TWSE or TPEx and emerging stock market companies adopted electronic voting for their shareholders' meetings. The proportion of voting rights exercised via electronic voting reached approximately 60.93% of the total shares represented at meetings, marking three consecutive years of growth.



2026 Business Plan

In response to the rapidly evolving financial markets and the accelerating trend of digitalization, TDCC will continue in 2026 to adopt financial technology as its core driver, advancing information integration and digital transformation while further diversifying its service offerings. By promoting cross-sector, cross-industry, and cross-border data integration, TDCC aims to maximize value creation within the financial market. At the same time, TDCC upholds the principles of fostering mutual growth with market participants and supporting the competent authority in advancing financial development. It remains committed to strengthening market infrastructure and service capacity, thereby facilitating the parallel advancement of financial stability and sustainable development. TDCC's 2026 business plan is outlined across five key strategic dimensions as follows:

I Strengthening Back-End Infrastructure to Enhance Investor Confidence

To promote the diversified development of TISA investment channels and facilitate investors' account opening and fund subscription, TDCC will continue to support distribution institutions, such as banks and securities firms, in launching TISA account services. This initiative aims to encourage early-stage savings and strengthen financial planning among investors. At the same time, TDCC will assist banks and securities firms in reporting investors' TISA account transaction details and account balance data, enabling investors to conveniently access account information through TDCC's "TISA Account Information Reporting and Inquiry Platform" and the "TDCC ePassbook App," thereby enhancing management efficiency and transparency. In addition, TDCC will incorporate information on sub-brokerage (offshore entrusted trading) assets into the TDCC ePassbook App to further expand the scope of asset integration. It will also enable investors to utilize fund holdings to establish bank-administered retirement trust accounts, supporting retirement planning.

Furthermore, in response to the anticipated transition toward a shortened settlement cycle (T+1) in Taiwan, TDCC has formed a dedicated task force in collaboration with the Taiwan Stock Exchange, Taipei Exchange, Taiwan Futures Exchange, and the Securities Association. This task force will assess and implement enhancements to post-trade processing systems and plan corresponding system development or adjustments in line with T+1 project recommendations. Besides, In alignment with the Taiwan Futures Exchange's initiative to allow futures market participants to settle stock option exercises through physical share delivery, TDCC will continue to develop and refine the relevant book-entry transfer operations.

II Building a Digital Innovation Service Ecosystem to Integrate Virtual and Real-World Asset Development

TDCC plans to progressively transform the traditional SMART system into a digital book-entry platform (eSMART), providing participants with a more user-friendly web-based interface and enhanced user experience. In addition, in alignment with the amendments to the Electronic Signatures Act, TDCC will enable investors to apply for TWCA digital certificates via the TDCC ePassbook App. These certificates will be used for identity authentication and electronic signatures, thereby improving the efficiency and convenience of digital services.

To align with the competent authority's policy direction on the tokenization of Real-World Assets (RWA) and the central bank digital currency (CBDC) roadmap, TDCC will continue to advance research on the operational framework and processes for tokenized instruments such as bonds. It will also plan to integrate the TDCC tokenization platform with the Central Bank's wholesale CBDC (wCBDC) to mint and settle tokenized assets. Furthermore, TDCC will continue to validate the feasibility of tokenized bonds across primary and secondary market operations, as well as the implementation of atomic delivery-versus-payment (DVP) settlement using tokenized cash and securities. Building on completed proof-of-concept outcomes, TDCC will continue to collect feedback from participating institutions to optimize platform functionalities. It will also explore mechanisms for digital wallet management and cross-chain information transmission, thereby supporting future regulatory oversight and practical market applications.

III Enhancing Digital Shareholder Services to Facilitate the Exercise of Shareholder Rights

Building on its existing eVoting platform and eNotice services for dividend distribution provided to companies listed on TWSE or TPEx, emerging stock companies and public companies, TDCC will continue to enhance digitalization benefits. In 2026, TDCC plans to expand the scope of eNotice to include matters such as changes to tender offer terms, expiration of offer periods, and payment of consideration. It will also promote the standardization and English translation of shareholder meeting agenda information. By adopting the ISO 20022 standardized format and integrating with leading global proxy voting platforms such as Broadridge, ISS, and Proxymity, TDCC aims to provide comprehensive agenda information for Taiwanese companies, thereby enhancing the convenience and consistency of voting for foreign institutional shareholders.

To align with financial technology policies and encourage shareholders to adopt electronic voting, TDCC plans to launch an eGift service prior to the peak season of shareholder meetings in 2026. Through a digital redemption mechanism and a pay-as-redeemed model, this service will enable issuing companies to accurately track redemption status, reduce costs associated with production, storage, and logistics of shareholder gifts, and support ESG-aligned green shareholder meeting practices.

In addition, TDCC launched the eCounter platform in 2025, enabling shareholders of TWSE-listed, TPEx-listed, Emerging Stock Market-listed, and public companies to process shareholder services, such as account opening and changes to basic shareholder information, with issuing companies through digital signatures. In 2026, TDCC plans to expand the scope of the eCounter platform to include services for ETF beneficiaries, allowing them to apply to securities investment trust enterprises (SITEs) for changes to their basic information. This initiative is intended to enhance the integration and convenience of shareholder services operations.

IV Strengthening Information Resilience to Safeguard Market Equity

To enhance the protection of critical market data and safeguard investor rights, TDCC will, in 2026, complete the phased relocation and migration of its new data center. In response to evolving international conditions and extreme scenarios, TDCC will continue to strengthen data availability and

security, and establish a cloud-based data backup mechanism for the Securities and Futures Core Business Systems, thereby enhancing overall system resilience and risk response capabilities.

Additionally, TDCC plans to further expand its existing information security threat detection and management mechanisms to cover general-level security systems. System audit logs will be integrated into SOC monitoring to enable real-time visibility into security incidents and anomalies. Meanwhile, TDCC will continue to enrich Security Orchestration, Automation, and Response (SOAR) use case playbooks to improve the efficiency of automated threat detection and incident response.

Furthermore, in accordance with the "Reference Guide for the Adoption of Zero Trust Architecture in the Financial Sector" issued by the Financial Supervisory Commission, TDCC will evaluate the implementation of control measures required to achieve Zero Trust Architecture Maturity Level II, along with the integration of SOC operations in 2026. This initiative aims to strengthen overall cybersecurity defenses, address increasingly sophisticated cyber threats, and ensure the security of critical systems and market operations.

V Practicing ESG to Accelerate Sustainable Transformation

In alignment with the Financial Supervisory Commission's "Sustainable Development Action Plans for Listed Companies (2023)", TDCC launched its "Digital Stewardship Services" in 2025. In 2026, TDCC will continue to enhance functionalities related to voting disclosure and sustainability performance, providing institutional investors with more comprehensive and value-added services.

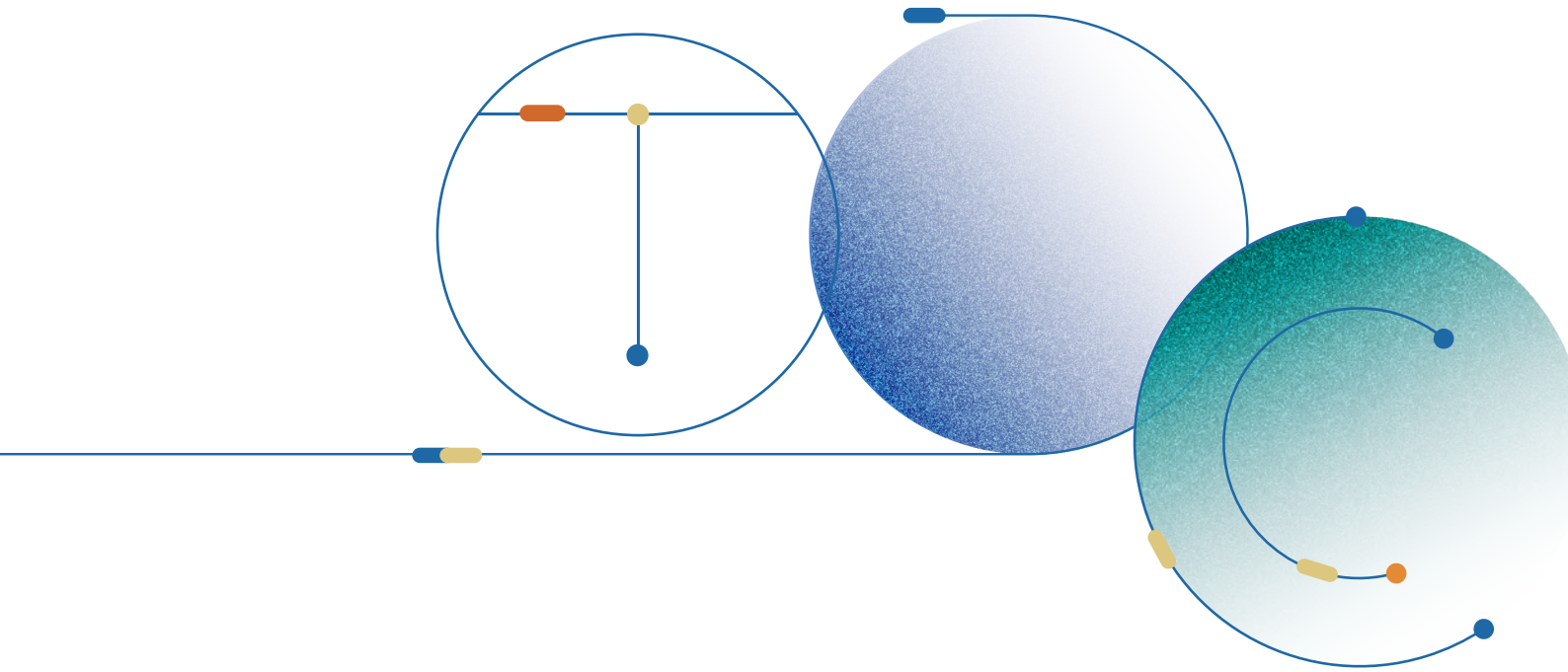
To achieve the target of Net Zero Emissions for Scope 1 and Scope 2 by 2030, TDCC attained organizational carbon neutrality in 2023 and has established medium- to long-term emission reduction plans based on science-based decarbonization pathways, actively responding to global net-zero trends. To further demonstrate its commitment to the 2030 Net Zero Emissions target, TDCC continues to promote industry–academia collaboration projects on indigenous carbon sinks, exploring the development potential of nature-based carbon sinks and assessing the feasibility of carbon sink acquisition.

In addition, in response to the "Roadmap for Adopting IFRS Sustainability Disclosure Standards in Taiwan" announced by the competent authority in 2023, although TDCC is not a listed or OTC company, it intends to adopt standards applicable to listed companies with paid-in capital exceeding NT$ 10 billion. TDCC plans to voluntarily advance the full disclosure of sustainability-related information in its 2026 annual report, including the refinement of risk management processes, metrics, and targets for material sustainability issues, thereby enhancing the completeness and consistency of sustainability disclosures, meeting stakeholder expectations, and aligning with international standards.

Outlook

To continuously reinforce the backend foundation of Taiwan's financial market development, TDCC is committed to enhancing its core business processes to improve operational efficiency and market resilience. At the same time, TDCC will actively support the Financial Supervisory Commission in positioning Taiwan as an Asian Asset Management Center, while exploring diversified fintech applications such as the tokenization of Real-World Assets (RWA). It will also expand the adoption of electronic signatures in digital transformation, deepen the application of the Shareholder Services e-Counter (eCounter) and proxy solicitation services for shareholders' meetings, and continue to promote the development of indigenous economies and the potential of natural carbon sinks, with the aim of fostering a virtuous cycle that drives the sustainable growth of the financial ecosystem.

Looking ahead to the coming year, TDCC will continue to focus on five core strategies: "Building a Key Financial Backend Hub," "Establishing a Comprehensive Fund Services Ecosystem," "Expanding Innovative Fintech Applications," "Deploying a Resilient and Intelligent Information Infrastructure," and "Advancing ESG to Accelerate Sustainable Transformation." These strategies will be concretely embedded into daily operations to effectively realize TDCC's three major visions. TDCC will work closely with the competent authorities, affiliated institutions, and industry participants to jointly embrace a new future for Taiwan's capital markets.





Company Profile



TDCC

Taiwan Depository & Clearing Corporation (TDCC) was formerly Taiwan Securities Central Depository Co., Ltd. (TSCD), which was established in line with the direction of the competent authority to increase the efficiency of the securities market and reduce the heavy workload of settlement processing materialized securities by related securities businesses by providing a secure and efficient central depository. Taiwan Stock Exchange (TWSE), Yuanta Securities Finance Co., Ltd., and other securities firms jointly invested in the venture, and it was established in October 1989. TSCD went into operation in January 1990, providing securities central depository and book-entry, securities settlement of centralized trading and over-the-counter market, emerging stocks clearing and settlement, and registration of securities issued in dematerialized form. It was also entrusted by the competent authority to conduct audits on stock-related matters.

Given that financial products are increasingly diversified, to improve the process synergies of back-end operation for cross-product investment by market participants, prevent duplicate resource investment, and follow the trend of back-office institutions integration in major international securities markets, the competent authority resolved to merge TSCD with Debt Instruments Depository and Clearing Co., Ltd. Taiwan (DIDC), which handled short-term bills and reported to Ministry of Finance, in July 2005. Through the integration of clearing, settlement, and depository platforms, the new entity aims to leverage the benefits of integration by effectively reducing the cost of investment, increasing operational efficiency, expanding the scope of service, and stimulating market development. The merger of the two companies was completed on March 27, 2006, and the new entity was named Taiwan Depository & Clearing Corporation (TDCC).

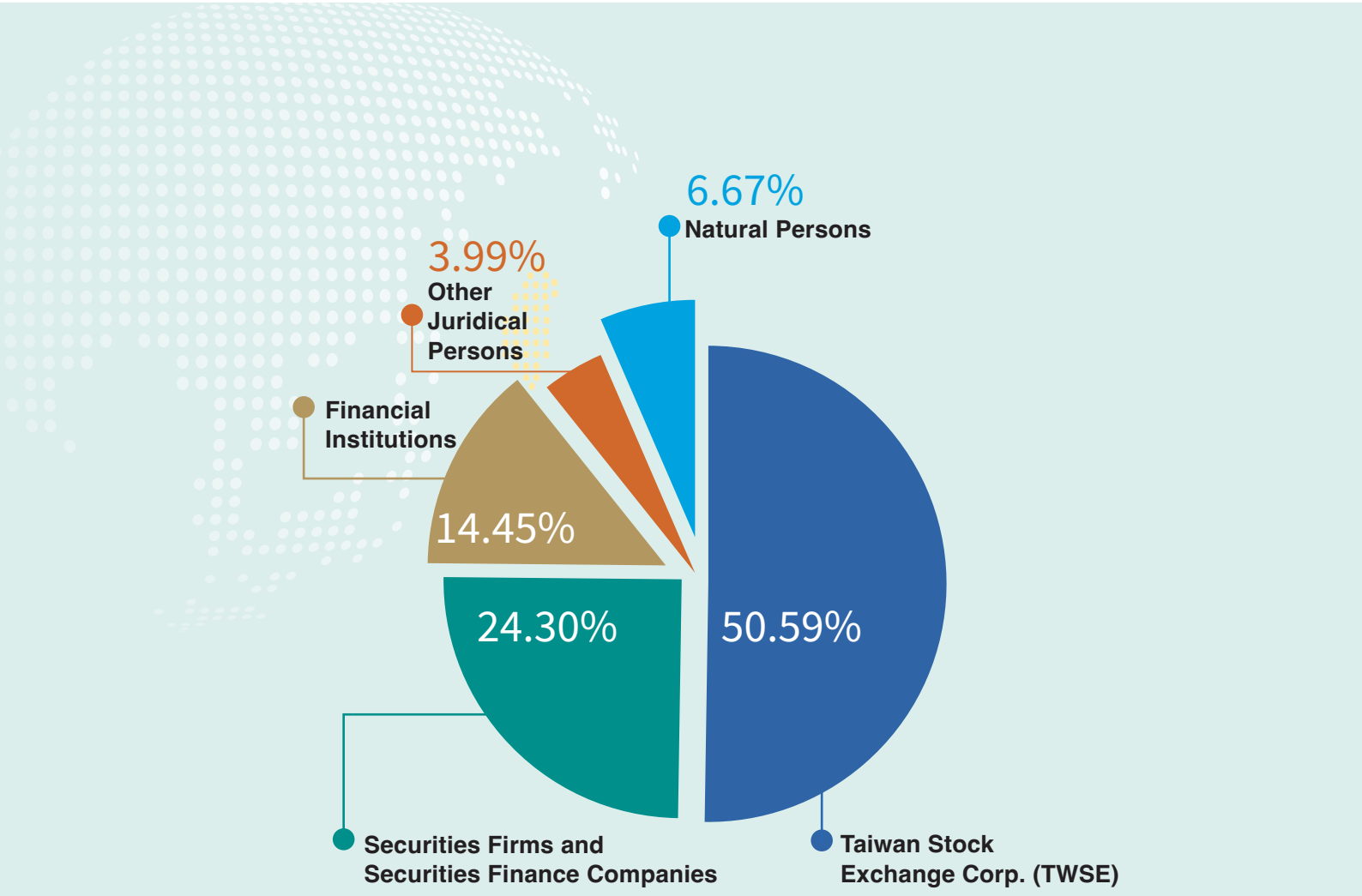
In the face of the digital development trend in shareholders' meetings in the global securities market, TDCC and Taiwan Integrated Shareholder Service Company (TISSC) resolved to promote the merger of the two companies in November 2013. The merger was completed on March 24, 2014, with TDCC as the surviving company. Through the mergers with the above back-end organizations, TDCC has become the critical backend organization in Taiwan's financial market, acting as a diversified financial services platform that provides equity securities, bills and bonds, mutual funds, futures, and corporate action services.

In alignment with competent authorities in promoting financial technology innovation and financial inclusion policies, TDCC reinvested in and established "FundRich Securities Co., Ltd." in 2015 to provide a fund subscription channel to investors with a reasonable, low-cost, and transparent fee schedule. The main institutions invested by TDCC are as follows:

Invested Institution	Investment Date	Shareholding Percentage
Taiwan Ratings Corporation	1997.01.30	19%
TAIWAN-CA Inc.	1999.11.30	18.08%
FundRich Securities Co., Ltd.	2015.11.06	57.10%

Shareholder Structure

As of the end of 2025, TDCC had 1,976 shareholders, comprising 115 institutional investors and 1,861 individual shareholders. The Taiwan Stock Exchange holds the largest shareholding of 511,881,275 (about 50.59%), and securities firms and securities finance companies hold 245,847,674 (about 24.30%) of the shares. Followed by 146,227,114 shares held by financial institutions (about 14.45%), 40,312,828 shares held by other juridical persons (about 3.99%) and 67,530,220 shares held by natural persons (about 6.67%). The shareholding structure is illustrated as follows:



Board of Directors and Supervisors

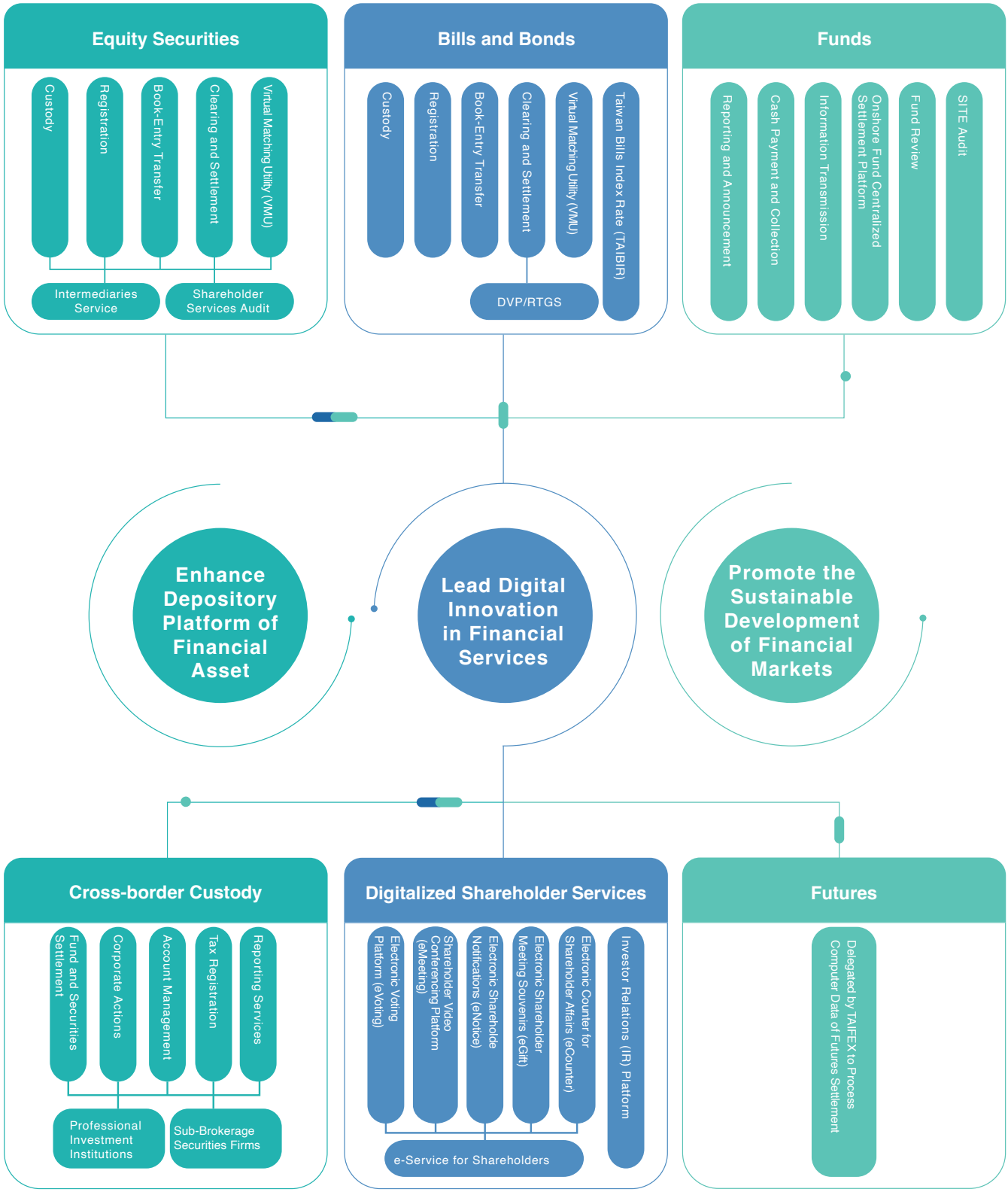
The Board of Directors is comprised of seven directors, representing the Taiwan Stock Exchange, Yuanta Securities Finance Co., Ltd., and KGI Securities Co., Ltd. There are three supervisors, including one standing supervisor. The directors, supervisors and shareholder representatives of TDCC are as follows:

December 31, 2025

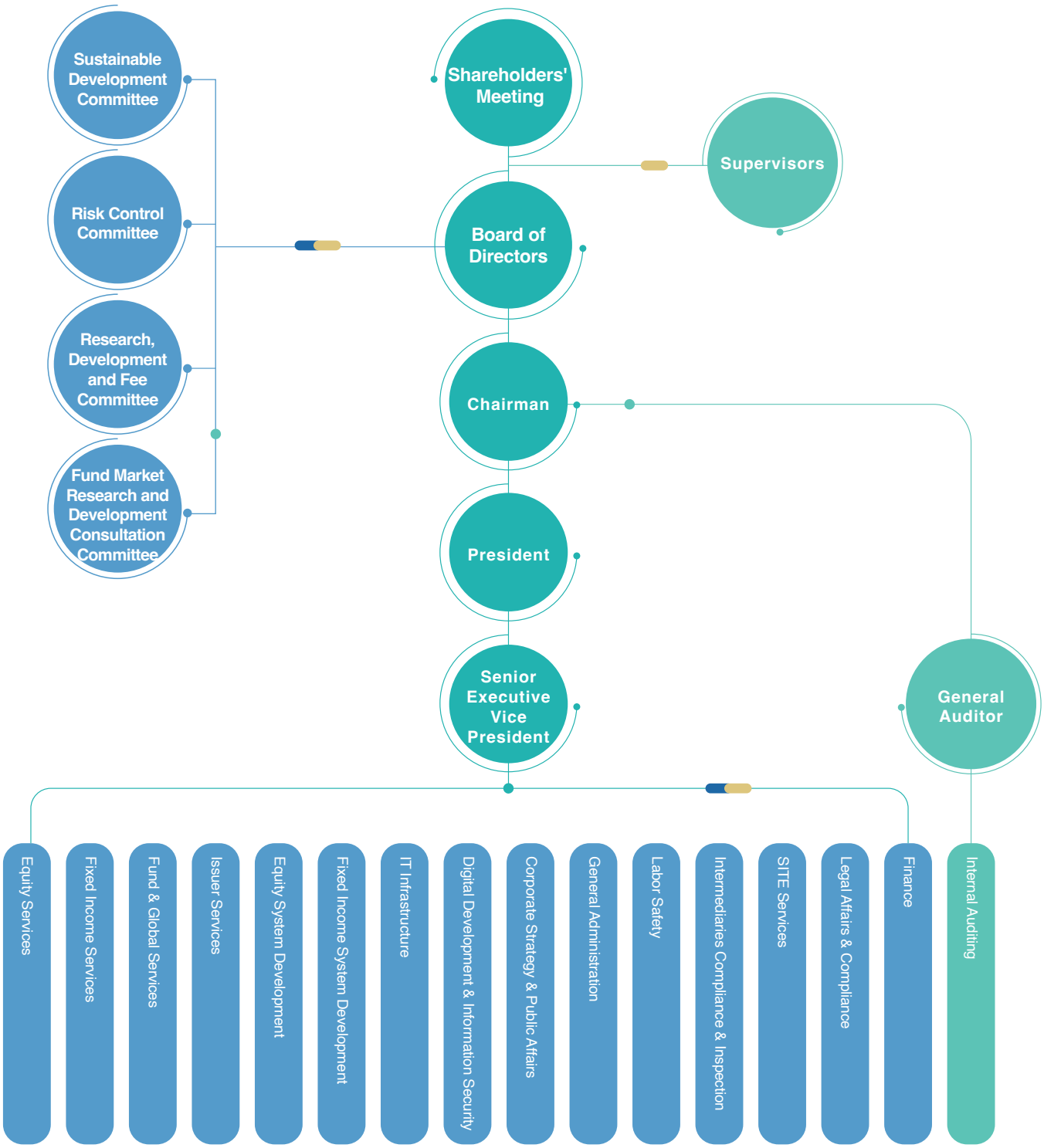
	Name	Shareholder Represented
Chairman	Bing-Huei Lin	Taiwan Stock Exchange Corporation (TWSE)
Director	Sherman Lin	Taiwan Stock Exchange Corporation (TWSE)
Director	Yi-Ming Wang	Yuanta Securities Finance Co., Ltd.
Director	Daniel Chen	Taiwan Stock Exchange Corporation (TWSE)
Director	Falco Mi	KGI Securities Co., Ltd.
Director	Chao-Liang Kuo	Taiwan Stock Exchange Corporation (TWSE)
Director	Hung-Tu Liao	Taiwan Stock Exchange Corporation (TWSE)
Standing Supervisor	Cheng-En Chang	Taiwan Securities Association
Supervisor	Shiu-Feng Hung	Taiwan Futures Exchange Corporation
Supervisor	Shu-Hwa Chang	Taiwan Securities Association

Core Business and Diversified Development

The centralized custody of securities and book-entry transfer and settlement services constitute the cornerstone of the TDCC's business. Building upon this foundation, TDCC has progressively expanded its service scope to encompass major financial instruments, including equity securities, futures, bills and bonds, funds, and cross-border custody services. It has thereby evolved into a comprehensive service platform integrating securities flows, cash flows, and information flows across various types of securities. In recent years, in response to the growing global emphasis on digital applications as well as information and data security, TDCC has actively leveraged financial technology to provide competent authorities and investors with a range of value-added data services and open finance solutions, thereby facilitating the digital transformation of Taiwan's financial market. Drawing on decades of experience rooted in stability and integrity, TDCC has also assumed the role of a regulatory support institution to the competent authorities. In alignment with national financial policies, TDCC continues to contribute to the steady development of the financial market, working collaboratively with financial institutions and investors to achieve shared and sustainable growth.


Equity Securities
Custody
Registration
Book-Entry Transfer
Clearing and Settlement
Virtual Matching Utility (VMU)
Intermediaries Service
Shareholder Services Audit
Bills and Bonds
Custody
Registration
Book-Entry Transfer
Clearing and Settlement
Virtual Matching Utility (VMU)
Taiwan Bills Index Rate (TAIBIR)
DVP/RTGS
Funds
Reporting and Announcement
Cash Payment and Collection
Information Transmission
Onshore Fund Centralized Settlement Platform
Fund Review
SITE Audit
Enhance Depository Platform of Financial Asset
Lead Digital Innovation in Financial Services
Promote the Sustainable Development of Financial Markets
Cross-border Custody
Fund and Securities Settlement
Corporate Actions
Account Management
Tax Registration
Reporting Services
Professional Investment Institutions
Sub-Brokerage Securities Firms
Digitalized Shareholder Services
Electronic Voting Platform (eVoting)
Shareholder Video Conferencing Platform (eMeeting)
Electronic Shareholde Notifications (eNotice)
Electronic Shareholder Meeting Souvenirs (eGift)
Electronic Counter for Shareholder Affairs (eCounter)
Investor Relations (IR) Platform
e-Service for Shareholders
Futures
Delegated by TAIFEX to Process Computer Data of Futures Settlement

Company Organization



Title	Name
Chairman	Bing-Huei Lin
President	Daniel Chen
Senior Executive Vice President	Gloria Ching
Senior Executive Vice President	Chen-Chen Huang
Senior Executive Vice President	Win-Cheng Wang
General Auditor of Internal Auditing	Olivia Chang
Senior Vice President of Equity Services	Victor Wang
Senior Vice President of Fixed Income Services	Yuan-Hua Hsiao
Executive Vice President of Fund & Global Services	Eric Hsu
Senior Vice President of Issuer Services	Te-Ping Huang
Senior Vice President of Equity System Development	Tsui-Hui Miaw
Senior Vice President of Fixed Income System Development	Jeff Yang
Senior Vice President of IT Infrastructure	Glenn Lin
Executive Vice President of Digital Development & Information Security	Feng-Chung Chen
Senior Vice President of Corporate Strategy & Public Affairs	Julie Wang
Executive Vice President of General Administration and Labor Safety	Tzu-Ting Chen
Senior Vice President of Intermediaries Compliance & Inspection	Kuei-Sheng Chang
Senior Vice President of SITE Services	Stephanie Lin
Senior Vice President of Legal Affairs & Compliance	Hui-Hua Pai
Senior Vice President of Finance	Howard Wang

TDCC

Management Team



Chairman
Bing-Huei Lin

President
Daniel Chen



Senior Executive Vice President
Gloria Ching



Senior Executive Vice President
Chen-Chen Huang



Senior Executive Vice President
Win-Cheng Wang



General Auditor of Internal Auditing
Olivia Chang



Senior Vice President of
Equity Services
Victor Wang



Senior Vice President of
Fixed Income Services
Yuan-Hua Hsiao



Executive Vice President of Fund &
Global Services
Eric Hsu



Senior Vice President of
Issuer Services
Te-Ping Huang

TDCC



Senior Vice President of Equity System Development

Tsui-Hui Miaw



Senior Vice President of Fixed Income System Development

Jeff Yang



Senior Vice President of IT Infrastructure

Glenn Lin



Executive Vice President of Digital Development & Information Security

Feng-Chung Chen



Senior Vice President of Corporate Strategy & Public Affairs

Julie Wang



Executive Vice President of General Administration and Labor Safety

Tzu-Ting Chen



Senior Vice President of Intermediaries Compliance & Inspection

Kuei-Sheng Chang



Senior Vice President of SITE Services

Stephanie Lin



Senior Vice President of Legal Affairs & Compliance

Hui-Hua Pai



Senior Vice President of Finance

Howard Wang

Supervisors' Report

To the 2026 Annual Shareholders' Meeting,

Taiwan Depository & Clearing Corporation

The Board of directors have compiled and submitted to us for examination the 2025 balance sheets, statements of comprehensive income, statements of changes in equity, statements of cash flows, consolidated financial statements, operations report and proposal for earning distribution for year 2025, etc. The undersigned Supervisors, accompanied by Deloitte & Touche, CPAs have completed our examination and found them correct. This report is hereby prepared in accordance with Article 219 of the Company Act and submitted for your approval.

Taiwan Depository & Clearing Corporation

Standing Supervisor

Cheng-En Chang

Supervisors

Shiu-Feng Hung

Shu-Hwa Chang

May 18, 2026

TDCC

Internal Control Statement

February 25, 2026

Based on self-assessment, the following declarations are made regarding the Taiwan Depository & Clearing Corporation (hereinafter referred to as TDCC) internal control system for year 2025.

1. TDCC is fully aware that the establishment, implementation and maintenance of the company's internal control system are the responsibility of the board of directors and of the company's management. TDCC has already established an internal control system. The objective of the system's establishment was to provide a reasonable level of assurance that the company's goals for the efficiency and effectiveness of the company's operations (including profitability, performance and asset protection, etc.), the reliability, timeliness, transparency of its reports and adherence to relevant laws and regulations can be met.
2. Any internal control system has certain pre-ordained limitations. No matter how carefully designed the system may be, even the most effective internal control system can only provide a reasonable level of assurance for the three objectives noted above. In addition, the effectiveness of the internal control system is liable to be affected at changes in the environment and circumstances. However, TDCC's internal control system has a self-monitoring function; as soon as any failing in the system comes to light, the company will immediately take steps to improve it.
3. TDCC has evaluated the result of the design and implementation of the internal control system in accordance with the criteria items from the Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets (hereinafter referred to as "these Regulations"). The criteria items adopted by these Regulations are classified into five components in line with the management control procedures: (1) Control environment; (2) Risk assessment; (3) Control activities; (4) Information and communication; (5) Monitoring activities. Each components in turn contains a number of items. Please refer to these Regulations for details of these items.
4. The above-mentioned internal control criteria items have been used by TDCC to assess the effectiveness of the design and implementation of the internal control system.
5. Based on the results of the assessment, TDCC believes that the design and implementation of the company's internal control system (including Supervision and management over subsidiaries, overall implementation of information security) on December 31, 2025 are acceptable in terms of the efficiency and effectiveness of the company's operations, the reliability, timeliness, transparency of its reports and adherence to relevant laws and regulations, except for the items listed in the appendix, and can therefore provide a reasonable degree of assurance for the achievement of the above objectives.
6. Any false, hidden or illegal matters of this Declaration will lead to lawsuit responsibility according to the Article 174 of the Securities Exchange Act.
7. This Declaration was approved by TDCC's Board of Directors on February 25, 2026

Taiwan Depository & Clearing Corporation

Chairman	President	Chief Internal Auditor	Information Security Officer

Enhancement and Improvements of Internal Control System

(Baseline Date: December 31, 2025)

Items needs Improvement	Improvement Measures	Estimated Time for Completion of Improvement
subsidiary: Fundrich Securities Co., Ltd Due to the incomplete internal control system over information security, Fundrich Securities was fined by the regulatory authorities on September 26, 2025.	The related operational procedures and workflows have been enhanced and implemented accordingly,and business operations are carried out in compliance with company's various regulations.	Improvements were completed.

Note: Please list in detail the sanctions imposed by the competent authority including warnings, disciplinary actions, administrative fines of greater than or equal to NT$240,000, and the improvement of information security deficiencies inspected by the competent authority.



Financial Reports



TDCC

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Taiwan Depository & Clearing Corporation

Opinion

We have audited the accompanying consolidated financial statements of Taiwan Depository & Clearing Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The description of each key audit matter of the consolidated financial statements for the year ended December 31, 2025 are as follows:

Accuracy of Operating Revenues

The operating revenues of Taiwan Depository & Clearing Corporation and subsidiaries mainly include securities settlement revenue, securities recording revenue, transfer processing services revenue and bills and bonds clearing and custodial services revenue. These revenues are recorded on the books based on the related laws and contracts. In 2025, the Group's principal operating revenues amounted to $8,419,079 thousand, which is material to the financial statements. We considered the accuracy of operating revenues as key audit matter.

The main audit procedures we performed for operating revenues are listed below:

1. We acquire an understanding of the Group's nature of the industry and evaluate the procedures for internal control in the recording of operating revenues, including understanding of the information environment of the system for calculating operating revenues.
2. We verify whether the calculation methods with respect to operating revenues complied with the statutory provisions or the related contracts.
3. We recalculate operating revenues and confirmed the accuracy of operating revenues.

Existence and Classification of Bank Deposit

As stated in Notes 6 and 11, as of December 31, 2025, the Group had cash and cash equivalents of $3,066,908 thousand, other financial assets (time deposits with original maturities of more than 3 months) of $10,877,713 thousand, and default damage fund of $4,427,458 thousand. Because of the significance of the accounts, we considered the existence and classification of the bank deposits as key audit matter.

The main audit procedures we performed for bank deposits are listed below:

1. We obtained an understanding of the cash cycle and tested the operating effectiveness of internal controls.
2. We checked the amounts on bank statements against those in the ledger, and sent a written confirmation request to the bank. If there is any discrepancy, we obtained a bank reconciliation statement and tested the correctness of the reconciliation items.
3. We ascertained whether bank deposits designated for specific purposes or otherwise restricted have been reclassified to the appropriate account.
4. We performed an inventory count of certificates of deposit and checked the results of inventory testing against the ledger.
5. We performed test of large inflows and outflows of cash and verified whether the transactions were related to the Group's business. We obtained explanations for large or irregular transactions.

Other Matter

We have also audited the parent company only financial statements of Taiwan Depository & Clearing Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the supervisors, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Tung-Ju Hsieh and Jr-Shian Ke.

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 18, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

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TAIWAN DEPOSITORY & CLEARING CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

ASSETS	2025 Amount	%	2024 Amount	%
CURRENT ASSETS				
Cash and cash equivalents	$ 3,066,908	5	$ 5,570,777	11
Financial assets at fair value through profit or loss - urrent	8,608,425	14	6,049,910	12
Financial assets at amortized cost - current	900,096	2	1,852,166	4
Other financial assets - time deposits with original maturities of more than 3 months	10,877,713	18	11,885,995	23
Notes and accounts receivable, net				
Unrelated parties	832,726	1	695,527	1
Related parties	511,488	1	382,680	1
Other financial assets - others	3,935,748	7	1,139,207	2
Other current assets	564,323	1	293,754	1
Total current assets	29,297,427	49	27,870,016	55
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income - noncurrent	2,531,743	4	2,268,297	5
Financial assets at amortized cost - noncurrent	20,789,438	35	14,395,713	28
Default damage fund	4,427,458	8	4,083,418	8
Investments accounted for using the equity method	136,464	-	124,463	-
Property and equipment	852,152	2	728,324	1
Right-of-use assets	475,349	1	331,228	1
Investment properties	202,199	-	205,476	-
Intangible assets	230,560	-	222,659	1
Goodwill	237,545	1	237,545	1
Deferred tax assets	28,148	-	21,870	-
Refundable deposits	158,379	-	157,370	-
Operation guarantee deposits	70,000	-	70,000	-
Other noncurrent assets	512	-	16,382	-
Total noncurrent assets	30,139,947	51	22,862,745	45
TOTAL	$ 59,437,374	100	$ 50,732,761	100

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	2025 Amount	%	2024 Amount	%
CURRENT LIABILITIES				
Accrued expenses	$ 707,711	1	$ 629,912	1
Lease liabilities - current	157,281	-	141,562	-
Current tax liabilities	1,057,152	2	1,224,697	3
Receipts under custody	3,640,858	6	990,933	2
Other current liabilities	140,728	-	111,673	-
Total current liabilities	5,703,730	9	3,098,777	6
NONCURRENT LIABILITIES				
Lease liabilities - noncurrent	324,005	1	194,825	1
Deferred tax liabilities	35,673	-	35,673	-
Guarantee deposits	149,825	-	188,138	-
Net defined benefit liabilities	453,827	1	371,603	1
Total noncurrent liabilities	963,330	2	790,239	2
Total liabilities	6,667,060	11	3,889,016	8
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Capital stock	10,117,991	17	7,783,070	15
Capital surplus	478,821	1	478,821	1
Legal reserve	5,878,872	10	5,085,752	10
Special reserve	25,358,028	43	22,889,047	45
Unappropriated earnings	7,981,851	13	7,993,344	16
Other equity - unrealized gain on financial assets at fair value through other comprehensive income	2,390,417	4	2,126,937	4
Total equity attributable to owners of the Corporation	52,205,980	88	46,356,971	91
NON-CONTROLLING INTERESTS	564,334	1	486,774	1
Total equity	52,770,314	89	46,843,745	92
TOTAL	$ 59,437,374	100	$ 50,732,761	100

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TAIWAN DEPOSITORY & CLEARING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUES				
Securities settlement	$ 2,705,908	21	$ 2,655,752	21
Securities recording	3,520,849	28	3,431,141	28
Maintenance services	438,690	4	415,495	3
Transfer processing services	816,476	6	872,995	7
Bills and bonds clearing and custodial services	2,192,322	17	2,057,895	17
Futures clearing services	426,283	3	462,836	4
Registration, distribution, and shareholder digitalization services	383,869	3	376,480	3
Mutual fund services	945,762	8	1,004,266	8
Brokerage fee	776,139	6	654,381	5
Others	555,935	4	436,307	4
Total operating revenues	12,762,233	100	12,367,548	100
OPERATING EXPENSES				
Personnel	1,488,792	12	1,357,331	11
General and administrative	2,327,123	18	2,062,378	17
Total operating expenses	3,815,915	30	3,419,709	28
OPERATING INCOME	8,946,318	70	8,947,839	72
NONOPERATING INCOME AND EXPENSES				
Interest income	633,571	5	516,665	4
Net gain arising on financial assets at fair value through profit or loss	267,839	2	261,893	2
Share of profit or loss of associates accounted for using equity method	49,633	-	40,470	-
Dividend income	100,278	1	68,612	1
Gains on deposal in investments	856	-	-	-
Other income	20,790	-	19,170	-
Expected credit loss	(1,460)	-	(804)	-
Other expenses	(25,703)	-	(27,243)	-
Total nonoperating income and expenses	1,045,804	8	878,763	7

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	$ 9,992,122	78	$ 9,826,602	79
INCOME TAX EXPENSE	(1,913,756)	(15)	(1,894,385)	(15)
NET INCOME FOR THE YEAR	8,078,366	63	7,932,217	64
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain/(loss) on investment in equity instruments at fair value through other comprehensive income	263,446	2	(78,517)	(1)
Remeasurement of defined benefit plans	(52,922)	-	78,206	1
Share of the other comprehensive (loss)/income of associates accounted for using equity method	(476)	-	1,225	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	102	-	(240)	-
Other comprehensive income for the year, net of income tax	210,150	2	674	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 8,288,516	65	$ 7,932,891	64
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	$ 7,973,780	62	$ 7,852,029	63
Non-controlling interests	104,586	1	80,188	1
	$ 8,078,366	63	$ 7,932,217	64
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 8,183,930	64	$ 7,852,703	63
Non-controlling interests	104,586	1	80,188	1
	$ 8,288,516	65	$ 7,932,891	64
EARNINGS PER SHARE				
Basic earnings per share	$ 7.88		$ 7.76	

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Taiwan Depository & Clearing Corporation

Opinion

We have audited the accompanying parent company only financial statements of Taiwan Depository & Clearing Corporation (the "Corporation"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Corporation as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Business Entity Accounting Act, Regulation on Business Entity Accounting Handling relevant to preparation of financial statements, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Corporation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The description of each key audit matter of the parent company only financial statements for the year ended December 31, 2025 are as follows:

Accuracy of Operating Revenues

The operating revenues of Taiwan Depository & Clearing Corporation mainly include securities settlement revenue, securities recording revenue, transfer processing services revenue and bills and bonds clearing and custodial services revenue. These revenues are recorded on the books based on the related laws and contracts. In 2025, the Corporation's principal operating revenues amounted to $8,419,079 thousand, which is material to the

financial statements. We considered the accuracy of operating revenues as key audit matter.

The main audit procedures we performed for operating revenues are listed below:

1. We evaluate the procedures for internal control in the recording of operating revenues, including understanding of the information environment of the system for calculating operating revenues.
2. We verify whether the calculation methods with respect to operating revenues complied with the statutory provisions or the related contracts.
3. We recalculate operating revenues and confirmed the accuracy of operating revenues.

Existence and Classification of Bank Deposit

As stated in Notes 6 and 11, as of December 31, 2025, the Corporation had cash and cash equivalents of $2,697,994 thousand, other financial assets (time deposits with original maturities of more than 3 months) of $10,173,613 thousand, and default damage fund of $4,427,458 thousand. Because of the significance of the accounts, we considered the existence and classification of the bank deposits as key audit matter.

The main audit procedures we performed for bank deposits are listed below:

1. We obtained an understanding of the cash cycle and tested the operating effectiveness of internal controls.
2. We checked the amounts on bank statements against those in the ledger, and sent a written confirmation request to the bank. If there is any discrepancy, we obtained a bank reconciliation statement and tested the correctness of the reconciliation items.
3. We ascertained whether bank deposits designated for specific purposes or otherwise restricted have been reclassified to the appropriate account.
4. We performed an inventory count of certificates of deposit and checked the results of inventory testing against the ledger.
5. We performed test of large inflows and outflows of cash and verified whether the transactions were related to the Corporation's business. We obtained explanations for large or irregular transactions.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Business Entity Accounting Act, Regulation on Business Entity Accounting Handling relevant to preparation of financial statements, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the supervisors, are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Tung-Ju Hsieh and Jr-Shian Ke.

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 18, 2026

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

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TAIWAN DEPOSITORY & CLEARING CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

ASSETS	2025 Amount	%	2024 Amount	%
CURRENT ASSETS				
Cash and cash equivalents	$ 2,697,994	5	$ 5,474,573	11
Financial assets at fair value through profit or loss - current	8,608,425	15	6,029,024	12
Financial assets at amortized cost - current	900,096	1	1,852,166	4
Notes and accounts receivable, net				
Unrelated parties	667,301	1	553,819	1
Related parties	518,344	1	388,052	1
Other financial assets - time deposits with original maturities of more than 3 months	10,173,613	17	11,120,795	22
Other financial assets - others	3,935,120	7	1,138,643	2
Other current assets	536,544	1	270,210	1
Total current assets	28,037,437	48	26,827,282	54
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income - noncurrent	2,531,743	4	2,268,297	5
Financial assets at amortized cost - noncurrent	20,789,438	35	14,395,713	29
Default damage fund	4,427,458	8	4,083,418	8
Investments accounted for using the equity method	887,622	2	772,385	2
Property and equipment	819,875	1	689,977	1
Right-of-use assets	428,510	1	270,097	1
Investment properties	202,199	-	205,476	-
Intangible assets	182,259	-	174,443	-
Goodwill	237,545	1	237,545	-
Deferred tax assets	28,148	-	21,870	-
Refundable deposits	153,972	-	152,963	-
Other noncurrent assets	512	-	372	-
Total noncurrent assets	30,689,281	52	23,272,556	46
TOTAL	$ 58,726,718	100	$ 50,099,838	100

(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	2025 Amount	%	2024 Amount	%
CURRENT LIABILITIES				
Accrued expenses	$ 659,554	1	$ 585,439	1
Lease liabilities - current	141,847	-	127,047	-
Current tax liabilities	1,019,734	2	1,197,696	3
Receipts under custody	3,640,858	6	990,933	2
Other current liabilities	135,699	-	106,128	-
Total current liabilities	5,597,692	9	3,007,243	6
NONCURRENT LIABILITIES				
Lease liabilities - noncurrent	290,963	1	147,352	-
Deferred tax liabilities	35,673	-	35,673	-
Guarantee deposits	142,583	-	180,996	-
Net defined benefit liabilities	453,827	1	371,603	1
Total noncurrent liabilities	923,046	2	735,624	1
Total liabilities	6,520,738	11	3,742,867	7
EQUITY				
Capital stock	10,117,991	17	7,783,070	16
Capital surplus	478,821	1	478,821	1
Legal reserve	5,878,872	10	5,085,752	10
Special reserve	25,358,028	43	22,889,047	46
Unappropriated earnings	7,981,851	14	7,993,344	16
Other equity - unrealized gain on financial assets at fair value through other comprehensive income	2,390,417	4	2,126,937	4
Total equity	52,205,980	89	46,356,971	93
TOTAL	$ 58,726,718	100	$ 50,099,838	100

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TAIWAN DEPOSITORY & CLEARING CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUES				
Securities settlement	$ 2,705,908	22	$ 2,655,752	23
Securities recording	3,520,849	29	3,431,141	29
Maintenance services	438,690	4	415,495	4
Transfer processing services	816,476	7	872,995	7
Bills and bonds clearing and custodial services	2,192,322	18	2,057,895	17
Futures clearing services	426,283	3	462,836	4
Registration, distribution, and shareholder digitalization services	383,973	3	376,480	3
Mutual fund services	1,056,667	9	1,105,924	9
Others	585,518	5	465,141	4
Total operating revenues	12,126,686	100	11,843,659	100
OPERATING EXPENSES				
Personnel	1,353,698	11	1,245,045	10
General and administrative	2,116,272	18	1,875,138	16
Total operating expenses	3,469,970	29	3,120,183	26
OPERATING INCOME	8,656,716	71	8,723,476	74
NONOPERATING INCOME AND EXPENSES				
Interest income	617,611	5	503,024	4
Net gain arising on financial assets at fair value through profit or loss	268,461	2	261,594	2
Share of profit or loss of subsidiaries and associates accounted for using equity method	188,843	2	147,205	1
Dividend income	100,278	1	68,612	1
Other income	19,769	-	18,741	-
Expected credit loss	(1,460)	-	(804)	-
Other expenses	(23,635)	-	(22,405)	-
Total nonoperating income and expenses	1,169,867	10	975,967	8

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	$ 9,826,583	81	$ 9,699,443	82
INCOME TAX EXPENSE	(1,852,803)	(15)	(1,847,414)	(16)
NET INCOME FOR THE YEAR	7,973,780	66	7,852,029	66
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized (loss)/gain on investment in equity instruments at fair value through other comprehensive income	263,446	2	(78,517)	(1)
Remeasurement of defined benefit plans	(52,922)	(1)	78,206	1
Share of the other comprehensive income/(loss) of subsidiaries and associates accounted for using equity method	(476)	-	1,225	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	102	-	(240)	-
Other comprehensive income for the year, net of income tax	210,150	1	674	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 8,183,930	67	$ 7,852,703	66
EARNINGS PER SHARE				
Basic earnings per share	$7.88		$7.76	

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TAIWAN DEPOSITORY & CLEARING CORPORATION

EARNINGS DISTRIBUTION TABLE

FOR YEAR 2025

(In New Taiwan Dollars)

	Amount	Amount
Earnings, beginning of year		$ 61,401,239
After-tax net income in 2025	7,973,779,793	
Less:Remeasurement of defined benefit plans	(52,922,263)	
Investments accounted for using the equity method	(408,169)	
The total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period		7,920,449,361
Reserved items:		
Legal reserve(10%)	(792,044,936)	
Special reserve(26.13%)	(2,069,613,418)	(2,861,658,354)
Earnings available to appropriation in 2025		5,120,192,246
Appropriation of earnings:		
Stockholder's cash dividends (NT$3 per share)	(3,035,397,333)	
Stockholder's stock dividends(NT$2 per share)	(2,023,598,230)	(5,058,995,563)
Unappropriated retained earnings at end of 2025		$ 61,196,683



THE DEDICATED SECTION ON IFRS SUSTAINABILITY DISCLOSURE STANDARDS



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1.Preface

1.1 Statement of Applicability of the Sustainability Disclosure Standards

1.1.1 Compliance Statement

Taiwan Depository & Clearing Corporation (hereinafter referred to as “TDCC” or “the Company”), with reference to the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards (hereinafter referred to as the “IFRS Sustainability Disclosure Standards”) recognized and made effective by the Financial Supervisory Commission (hereinafter referred to as the “FSC”), has voluntarily prepared and disclosed its first report adopting the IFRS Sustainability Disclosure Standards for 2025 (the current year).

1.1.2 Date and Procedure for Approval of the Sustainability Information Section

This Sustainability Information Section was reviewed and approved by the Sustainability Development Committee on March 18, 2026.

1.1.3 Application of Exemption Provisions

The FSC allows companies to apply exemptions under the transitional provisions of IFRS S1, “General Requirements for Disclosure of Sustainability-related Financial Information” (hereinafter referred to as “IFRS S1”), paragraphs E3 and E5-E6, and IFRS S2, “Climate-related Disclosures” (hereinafter referred to as “IFRS S2”), paragraphs C3-C5.

For the current year, the exemptions adopted by TDCC under the transitional and other provisions of the IFRS Sustainability Disclosure Standards are shown in the table below:

Exempted Items	Description	Corresponding IFRS Sustainability Disclosure Standards Paragraphs
Comparative Information	For the first annual reporting period to which the IFRS Sustainability Disclosure Standards applied, disclosure of comparative information was not required (including the information related to climate-related risks and opportunities).	IFRS S1.E3& E6(a)、IFRS S2.C3
Commercially Sensitive Information	If the conditions specified in paragraph B35 of IFRS S1 were satisfied, commercially sensitive information related to sustainability opportunities could be omitted.	IFRS S1.B34-B36
Use of Other Methods for Measuring Greenhouse Gas Emissions	An entity was permitted to apply the following relief measures during the first annual reporting period to which these standards applied: If, during the one-year reporting period prior to the initial application date of this standard, an entity had used a method other than the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004 edition) to measure its greenhouse gas emissions, the entity was permitted to continue using that other method.	IFRS S2.C4(a)

Table 1: Exemption Provisions Applicable to TDCC

1.1.4 Scope of the Report

The disclosure period of this report was the year 2025 (January 1 to December 31, 2025). The disclosure scope comprised TDCC and the subsidiary, and was consistent with the scope of the consolidated financial statements. It included certain floors of TDCC located in Hongya Building and certain floors located in Yashih Building (hereinafter referred to as the "office premises"), the information data center and backup site (hereinafter referred to as the "data center"), and the subsidiary FundRich Securities Co., Ltd. (hereinafter referred to as "FundRich" or the "subsidiary") located in Hungtai Building.

Because the business scope and operating items of the TDCC and FundRich differed significantly, this sustainability information chapter, except for financial data and greenhouse gas emissions, did not include FundRich unless otherwise specifically noted.

In the section 3.3 on the impact on financial position, financial performance, and cash flows, the disclosure figures for "property and equipment" and "intangible assets" were calculated beginning with equipments acquired in 2024.

2.Governance

2.1 Governance of sustainability-related risks and opportunities

2.1.1 The role of the governance body in the governance of sustainability-related risks and opportunities

The purpose of TDCC's governance-related sustainability financial disclosure was to enable primary users of general-purpose financial reports to understand the Corporation's governance of sustainability-related risks and opportunities, including the governance processes, controls, and procedures through which the governance body and management monitored, managed, and supervised sustainability-related risks and opportunities.

In the governance structure, the Board of Directors served as TDCC's highest governance body for managing sustainability-related risks and opportunities. Through the Sustainable Development Committee, the Risk Control Committee, the Research, Development, and Fee Committee, and the Fund Market Research and Development Consultation Committee, it implemented TDCC's sustainability commitments and jointly managed issues related to sustainability-related risks and opportunities.

Sustainability issue	Information security	Customer relations and rights protection	Measures in response to climate change
Primary responsibilities	The Chairman served as convener and convened an Information and Communication Security Task Force . Based on the business development of the Company, domestic and international new information security technologies and information security incidents, and competent authorities' information security requirements, the Company established its information and communications security strategy direction.	The Board of Directors, through the Research, Development, and Fee Committee and the Fund Market Research and Development Consultation Committee, jointly discussed the operational direction and managed customer relationship and right.	The Chairman serves as convener of the Sustainable Development Committee. All members are Directors of the Board of Directors and Supervisors, and are responsible for reviewing and approving TDCC's climate governance development policies, systems, related management approach, and specific implementation plans.

Table 2: Main responsibilities of the Board of Directors and Functional Committee regarding material sustainability issues

Board of Directors

The Board of Directors of the TDCC was composed of seven Directors, all of whom were corporate representatives, and they respectively represented the Securities Exchange, Yuanta Securities Finance Co., Ltd., and KGI Securities Co., Ltd. There were three supervisors in total, representing the Taiwan Securities Association and the Taiwan Futures Exchange; one of them was a standing supervisor. The Directors and supervisors possess expertise across finance, accounting, law, public finance, and other related fields. They are distinguished professionals from the financial market, academia, and industry, and uphold independence and a commitment to the public interest. They oversee and guide the management team of the TDCC in making major decisions, and ensure that each unit effectively fulfills its functions.

In 2025, the Company also organized several external training courses covering topics including "Corporate Implementation of ESG and Integrated Applications and Examples of Internal Audit and Internal Control," "Issuance, Trading, and Verification Practices of Sustainable Development Securities," "Practices in the Development of Sustainable Finance," "IR & Engagement New Trends: ESG and Sustainable Investment Forum," and "Entering Indigenous Communities to Observe ESG: Corporate Participation in Indigenous Carbon Sinks." These courses were provided to enable Directors and supervisors to enhance their awareness and professional expertise on sustainable issues and to assist them in developing the strategy capability to respond to risks and opportunities related to sustainable development.

As the highest oversight unit for the management of sustainability-related risks and opportunities, the Board of Directors is responsible for approving policies related to sustainable development and for overseeing sustainability-related risks and opportunities, confirming the final approval of the action plan, and ensuring the effective operation of the risk management mechanism. The Board convenes at least once a month.

Sustainable Development Committee

TDCC has established a Sustainable Development Committee, with the Chairman serving as convener. All members are Directors and supervisors from the Board of Directors. The Committee is responsible for approving TDCC's sustainable development policies, systems, related management approach, and concrete implementation plans, and for incorporating climate governance-related issues. It convenes at least two meetings each year and reports to the Board of Directors on the progress of sustainability-related risks and opportunities

Risk Control Committee

The TDCC continuously strengthened its operational risk management mechanisms. It established a Risk Control Committee under the Board of Directors to coordinate and conduct reviews of business processes, computer system operating procedures, and the risk controls of operational processes involving participants. The Committee met at least twice annually and reported implementation progress to the Board of Directors to review operational conditions and the effectiveness of risk controls.

Research, Development, and Fee Committee

To promote the Company's business development, the Company established the Research, Development, and Fee Committee, which comprised an equity products unit and a fixed-income product unit; the Committee met once every six months.

Fund Market Research and Development Consultation Committee

In order to promote the development of the fund market and to advance the Company Mutual Fund Business needs, the Fund Market Research and Development Consultation Committee was established to review plans from relevant units concerning product design, marketing, and back-office operations, and to provide comprehensive consultative opinions. It convened regular meetings once every six months.

Overall, the TDCC's governance of sustainable development-related issue was exercised through the Board of Directors' highest supervisory function and, together with the professional review and management mechanisms of the Sustainable Development Committee, the Risk Control Committee, the Research, Development, and Fee Committee, and the Fund Market Research and Development Consultation Committee, periodically supervised the response strategy, management processes, and target performance to ensure that sustainable development-related risks and opportunities were appropriately monitored and addressed. Through a clear governance framework and operational mechanisms, the TDCC not only implemented its corporate sustainable development commitments, but also continued to strengthen its capacity to respond to sustainability risks and opportunities, thereby further enhancing the foundation for the Company's resilience and long term sound operations.

2.1.2 Management Structure and Responsibilities

Information security

To ensure the stability of information security and the business continuity of critical infrastructure, TDCC established Digital Development & Information Security Department in 2023 as a dedicated information security unit. Based on ISO 27001:2022 Information Security Management Systems (ISMS) and the Business Continuity Management System (BCMS), and in conjunction with national-level information security risk assessment mechanisms, policy guidance from the Executive Yuan's Office of Homeland Security, and other guidance, the Company ensured that it could effectively respond to and manage information security threats and business continuity management challenges.

The TDCC established a clearly defined information security management system and, using a top-down approach, established a cross-departmental, three-tier meeting mechanism comprising Information and Communication Security Task Force, Information and Communication Security Meeting, and Information Security Operations working group, to ensure that the information security strategy was horizontally integrated and fully implemented from top to bottom.

The highest-level body for information security issues is the Information and Communication Security Task Force, which is convened by the Chairman and meets quarterly. Based on the Company's business development, emerging information security technologies and incidents both domestically and internationally, as well as information security requirements from the competent authorities, the

Task Force formulates the Company's information and communication security strategic direction. The Information and Communication Security Meeting was convened by the President as Convener and was held once every two months. It was responsible for confirming the strategy for information and communications security management, ensuring the adequacy of information security protection mechanisms and risk management operations, and enhancing the effective operation of the information security management system (ISMS) and the Business Continuity Management system (BCMS). Its responsibilities included reviewing the annual information and communications security and business continuity targets, assessing the trends of information security and business continuity indicators over the past year and the extent to which the targets had been achieved, and adjusting relevant procedural documents in accordance with regulatory changes, business needs, and internal and external issues. Additionally, the Conference was responsible for monitoring and strengthening the overall information and communication security protection mechanisms. It reviewed risk assessment results and the prior year's risk treatment measures at least once annually to ensure their efficiency and effectiveness; it also examined the results of business continuity risk assessments, verified internal and external audit reports and the status of corrective actions, and reviewed the responses to and investigation results of material information security incidents.

The Information Security Operations working group was chaired by the Senior Executive Vice President responsible for supervising information and communications security (who concurrently served as Chief Information Security Officer). It was convened once a month. Its primary responsibilities were to review and track the implementation status of information and communications security and business continuity indicators, and to oversee information security protection mechanisms, the business interruption issue, and risk management. The meeting addressed the monitoring of information and communications security protection mechanisms and risk management operations, reviewed the responses to and remedial measures for material information security incidents, and confirmed the implementation status of information security resolutions issued by competent authorities. In addition, the Information Security Operations working group was responsible for discussing the draft information security and business continuity target and indicators for the following year. After deliberation at the meeting, the draft was submitted to the Information and Communication Security Meeting for review to ensure the consistency and effectiveness of decision-making. At the same time, the Task Force reviewed the registers of internal and external stakeholder, evaluated the application of new technologies or new products in information and communications security and business continuity management, and considered the needs and expectations of stakeholders, thereby ensuring the TDCC's governance capability and continuous improvement in the field of information and communications security.

Customer relations and rights protection

TDCC is committed to establishing a transparent, fair, and sound customer relationship, ensuring that all customers receive high-quality services and fair treatment, and safeguarding their equity through multiple mechanisms. The principle of "Customer-Centric" was adhered to, and comprehensive customer communication channels were established, including dedicated hotline services and a regular satisfaction survey. Currently, the Company has designated a dedicated department as the coordinating unit, responsible for managing customer relationship and rights protection issues. It also reviewed customer satisfaction survey issues within the business scope of each department to jointly determine the annual customer satisfaction survey topic, ensuring timely responses to customer needs and the continuous improvement of service quality. After the questionnaire survey was completed, the Company analyzed the collected data, prepared a survey report, and submitted it to the President for review. Regarding aspects of customer dissatisfaction, and in accordance with the President's decision, the relevant units were assigned to analyze the causes and propose corrective measures. For items with higher satisfaction, the relevant departments were to continue maintaining or further optimizing them, which served as the basis for setting future annual service target, ensuring that the Company's customer relationship management mechanism could continue to improve and meet market demand.

To safeguard client equity, the TDCC established a grievance and dispute resolution mechanism to ensure client feedback received timely responses and appropriate resolutions, and, through periodic reviews and process improvements, enhanced the overall service experience. Furthermore, to ensure customers' information security and transaction transparency, the Company implemented strict internal controls and information security management mechanisms and, in accordance with applicable laws and regulations, enforced personal data protection and the risk management policy. Through these measures, the Company not only strengthened its trust-based relationships with customers, but also ensured that, while engaging in sustainable operation, it continued to improve customer satisfaction and market competitiveness.

Measures in response to climate change

To effectively address the impacts of climate change on TDCC, the Company established an Environmental Sustainability Task Force within the Sustainable Development Committee. The core functions of the task force include:

1 Conduct carbon inventories

2 Manage energy efficiency

3 Formulate carbon reduction plans

Through the operations of the environmental sustainability task force, TDCC will continue to strengthen climate risk management, enhance resilience to extreme climate events and regulatory changes, promote the low-carbon transition, and ensure the implementation of corporate sustainable operation and environmental responsibility.

2.2 Management Approach and Control Measures

2.2.1 Measures to Ensure Effective Oversight and Management

To ensure the Company's governance effectiveness on critical issue areas such as information security, customer relationship and rights

protection, and climate change response, TDCC had established comprehensive oversight and management mechanisms. Through decision-making oversight by the Board of Directors, execution and management by specialized committees, and internal audit and periodic reviews, it ensured that relevant policies and measures were implemented. All business areas had been integrated into a systematic risk management framework and were subject to regular review and adjustment to enhance governance transparency and response capability.

TDCC formulated an Information Security Policy and, in accordance with organizational development needs and after considering the risks to information assets, established a complete, feasible, and effective information security management system to provide the best protection for the Company's information security. This policy was formally implemented following approval by the Board of Directors and was periodically reviewed and assessed by management at the Information and Communication Security Meeting, at least once annually, to ensure that operational procedures, technical implementations, business requirements, and regulatory obligations reflected current conditions, to improve the availability, security, and effectiveness of information security operations, and to further strengthen the appropriateness and responsiveness of information security management.

To ensure implementation of the information security management mechanism, TDCC established, by the end of each January, the information and communication security maintenance plan for the following year. The Digital Development & Information Security Department consolidated, by the end of each March, the implementation status of relevant departments' maintenance plans for the prior year, and maintained comprehensive records of information security incidents, including their causes, scope of impact, and corrective measures. Additionally, Internal Auditing Department was responsible for providing the prior year's internal and external audits of information security, including the deficiencies identified and their remediation status, and for submitting the related reports to the Information and Communication Security Meeting to assess the overall implementation of information security during the prior year. This was intended to facilitate the issuance of the internal control statement and its submission to the Board of Directors, ensuring the transparency and compliance of information security management and continuously enhancing the effectiveness of information security governance.

Customer relations and rights protection

TDCC is committed to establishing a transparent, fair, and sound customer relationship, ensuring that all customers receive high-quality services and fair treatment, and safeguarding their equity through multiple mechanisms. To ensure the timeliness and effectiveness of customer communications, the Company established comprehensive customer service channels, including a dedicated hotline and a regular satisfaction survey, which ensured that customer feedback was promptly addressed and that service quality was continuously improved. In addition, to safeguard customers' equity, the Company established a grievance and dispute-resolution mechanism and periodically reviewed the related procedures to ensure that customers received fair and reasonable resolutions.

Measures in response to climate change

In order to effectively oversee the risks and opportunities posed by climate change, TDCC designated the Board of Directors as the highest supervisory body to ensure that the decision-making process fully considered stakeholder opinions and the impacts on the sustainability management. The Company regularly reported climate governance-related issues and the execution status of relevant projects to the Sustainable Development Committee, implemented sustainable development policies and climate commitments, and provided decision-making support through analyses of regulations, costs, and benefits. Additionally, the Sustainable Development Committee's Environmental Sustainability Task Force is responsible for assessing and promoting climate change response strategy, such as the planning and implementation of the 2030 net zero pathway, to ensure the Company's foresight and execution capability in climate governance.

Additionally, the Sustainable Development Committee is responsible for coordinating the identification and management of climate risks and opportunities, and it ensures the transparency and effectiveness of climate risk management by establishing a risk assessment mechanism, data monitoring, and reporting systems. The Company also regularly conducted climate risk scenario analysis and adjusted its business strategy accordingly to reduce the potential impact of climate change, enhance the Company's operational resilience, and actively promote the low-carbon transition to implement SDGs.

2.2.2 Internal Controls over Sustainability Information

The TDCC's internal control system covered procedures for information security controls, customer relationship management (such as participant account administration and customer grievance handling), and sustainability information management. Regarding the "Sustainability Information Management" operational items, the preparation, verification, assurance, and related activities for the ESG Report and the greenhouse gas inventory report were incorporated into standard operating procedures and key controls to ensure the management and transparency of sustainability-related information.

3.Strategy

3.1 Sustainability Risks and Opportunities

3.1.1 Process for Identifying Sustainability Risks and Opportunities

Identification of Sustainability Risks and Opportunities

The Company (including subsidiary) considered sustainability risks and opportunities that had potential impacts in accordance with IFRS S1, and also referenced the climate topic of IFRS S2 and the applicability of SASB standard topic to the characteristics of its industry in identifying sustainability risks and opportunities.

TDCC primarily provided centralized custody and book-entry transfer settlement services for negotiable securities and short-term notes. Its subsidiary, FundRich, operated an online fund sales and wealth-management platform. Following an assessment, no industry had been explicitly defined as applicable by the Sustainability Accounting Standards Board (SASB). Accordingly, the Company referred to the practices of foreign central securities depositories and the parent company (Taiwan Stock Exchange Corporation), and adopted the SASB industry standard "Securities & Commodity Exchanges." In addition, the Company further considered important investors, industry peers, as well as domestic and foreign sustainability issue-related trends that the Company had previously focused on. Following internal discussions within the Company, the relevant potential sustainability risks and opportunities were consolidated, and further identification was carried out.

Item	Sustainability Topic	Concerned Sustainability Risks	Concerned Sustainability Opportunities
1	Corporate governance and integrity management	Failure of governance structures and the corruption of business integrity	Establish a culture of integrity and implement corporate governance
2	Compliance with policies and regulations	Violation of policies and regulations	Effective compliance management
3	Risk management and communication	Potential risks have not been identified, or control mechanisms have been lacking	Response measures to improve and minimize risk losses
4	Measures in response to climate change	Climate change-related disasters affected daily operations and business stability	The trend of climate change created business opportunities in the green finance market
5	Information security	Data leakage and system interruption	Strengthen information security to enhance the system's trustworthiness
6	Customer relations and rights protection	Customer attrition and decrease in customer loyalty	Attract new customer segments and increase customer stickiness
7	Talent cultivation and development	Limitations on talent development and a decrease in work quality	Enhance employee professional competencies and work performance
8	Talent attraction and retention	Recruitment difficulties and high turnover rates	Attract talent and improve retention rate
9	Product innovation and development	Sustainability long-term development capability was hindered, resulting in the loss of business opportunities	Seize emerging business opportunities in the sustainable finance market
10	Community and social impact	Community conflict and public opinion pressure in society	Enhance the Company's image in society and influence
11	Promotion of a transparent and efficient capital market	Market manipulation and unfair competition	Promote a transparent and efficient market and avoid turbulence in the trading environment

Table 3: Identified sustainability risks and opportunities issue

Assessment and Prioritization of Sustainability-Related Risks and Opportunities:

A questionnaire survey was conducted by the Company, inviting each department and subsidiary to assess the future likelihood of the aforementioned sustainability risks and opportunities and their potential impact on the Company's overall financial condition and operations. Among these, the assessment of the future likelihood was conducted by comprehensively considering the frequency of occurrence, likelihood, and current development trends of risk and opportunity events; the assessment of financial and operational impact covered aspects such as operating costs, revenue-generating capacity, goodwill, operational disruptions, operational efficiency, and company material events. Additionally, because risks and opportunities were often characterized by a two-sided nature, the Company also concurrently considered the interrelationship between the two during the evaluation process, ensuring that all potential impacts were appropriately weighed and strengthening the linkage between the evaluation results, strategy decisions, and actual operations.

After a comprehensive analysis of key factors, including financial impact and likelihood, the Company and its subsidiary identified three sustainability risks and opportunities that could have a significant financial impact on future outlook. The assessment results were as follows:

Item	Sustainability Topic	Material Sustainability-related Risks	Material Sustainability-related Opportunities
1	Information security	Data leakage and system interruption	Strengthen information security to enhance the system's trustworthiness
2	Customer relations and rights protection	Customer attrition and decrease in customer loyalty	Attract new customer segments and increase customer stickiness
3	Measures in response to climate change	Climate change-related disasters affected daily operations and business stability	The trend of climate change created business opportunities in the green finance market

Table 4: Identified material issue - sustainability risks and opportunities

Monitoring and management of risks and opportunities:

The aforementioned identified sustainability topics—"information security," "customer relationship and rights protection," and "measures in response to climate change"—were incorporated into daily operational processes, and risks and opportunities were identified, assessed, and managed through established management mechanisms. All responsible units will also, based on changes in domestic and international trends, continuously analyze the sub-risk issues under each topic and, through regular monitoring and improvement mechanisms, ensure the effectiveness of risk management measures.

In addition, for risks that had potential impact, the Company and its subsidiary also employed scenario analysis to simulate the extent of their effects, which served as the basis for decision-making and for establishing management target, and to ensure that the risk response strategy could be adjusted in a timely manner and effectively implemented. For the actual management status of the risks and opportunities corresponding to each topic, and for the explanations of the scenario analysis, please refer to Chapter 3.4, "Risk Resilience," and Chapter 4, "Risk Management."

3.2 Impacts of Sustainability-related Risks and Opportunities and the Corresponding Response Strategy

The Company had fully considered qualitative and quantitative factors, including the extent and nature of sustainability-related risks and opportunities' impacts on the Company; their potential effects on future operating costs and the Company's revenue-generating capacity; and the timing of such impacts and the uncertainties associated with them.

To assist users of general-purpose financial reports in fully understanding the potential impact of sustainability risks and opportunities on the Company's financial position, financial performance, and cash flows, the Company further analyzed those sustainability risks and opportunities that could have caused material financial effects on its future outlook, assessed their potential impact on the value chain, operating activities, and assets, and identified the impacts that had actually occurred during the reporting year, in order to plan appropriate response measures and strategy actions.

This assessment covered the entire value chain, including upstream hardware equipment and software service supplier, the TDCC and FundRich's own operations in the midstream, and downstream financial institutions, investors, and listed companies.

In establishing the time intervals, the Company referred to international sustainability information disclosure and reporting standards and combined the Company and subsidiary industry characteristics with its sustainable development strategy to define them, dividing them into short-term (1-3 years), medium-term (3-5 years) and long-term (over 5 years). Related target and strategy were also formulated according to these time intervals to ensure that response measures could effectively manage risks and capture potential opportunities.

Given that risks and opportunities were two sides of the same entity, the Company, when planning response strategy, also concurrently evaluated the two-way impact of the relevant measures on risks and opportunities. By weighing risk and opportunity management measures, the organization ensured that, while implementing the action plan, both risk control and strategy development were addressed; this approach not only prevented the exacerbation of potential risks but also enabled the effective capitalization on potential opportunities.

3.2.1 Information security

Sustainability-related Risks: Data Leakage and System Outages

- **Risk scenario and description:** The daily operations of the TDCC and FundRich depended on information technology. However, as the frequency of cyberattacks increased, security vulnerabilities or technical errors could have resulted in the leakage of sensitive data or the compromise of systems. If the TDCC failed to strengthen information security management, it could have led to the disclosure of personal data or, owing to information security threats and inadequate system stability, to service interruptions. It could have not only raised investors' concerns and harmed the market's reputation, but also had a serious impact on the domestic securities, futures, funds, and debt securities markets.
- **Impact period:** short-term (1-3 years)
- **Affected entities:** TDCC and FundRich
- **Affected value chain:** Midstream (TDCC and FundRich's own operational scope), downstream (financial institutions, investors, and listed companies).
- **Affected assets and areas:** Office premises and server rooms
- **Impact on the business model:**
  - **Current impact:** To prevent risks of information leakage and system interruptions, the Company invested substantial resources in 2025 to optimize information security protections and resilience. In addition, a subsidiary was fined in 2025 for deficiencies in information security management operations; the related audit deficiencies were remediated by the end of 2025.
  - **Expected impact:** If a personal data breach, a material information security incident, or a recurrence of information security operational deficiencies resulting in penalties occurred, it could have further reduced customers' trust.
- **Impact on the value chain:**
  - **Current impact:** In 2025, no system outages occurred that caused transaction delays or business interruptions requiring an investigation; consequently, there was no direct impact.
  - **Expected impact:** A system outage could interrupt business operations or client use and result in short-term operational disruption.

Sustainability-related opportunity: Strengthened information security to enhance system trustworthiness.

- **Opportunity description:** The TDCC, as the back-office entity for the capital and money markets, served as a provider of critical infrastructure. FundRich was the largest domestic online platform specializing in mutual fund trading, and its daily operations also relied on a robust information security framework. Therefore, had the information security management system and applied technologies been continuously strengthened, the protective resilience of the facilities would have been enhanced, achieving the target of protecting users' personal data, strengthening system stability, and effectively preventing cyberattacks. The aim is to prevent daily business operations from being disrupted by information security vulnerabilities or potential threats to investors' personal data privacy. At the same time, it ensures that relevant operational systems can quickly defend themselves against cyberattacks and recover swiftly.
- **Impact period:** short-term (1-3 years)
- **Affected entities:** TDCC and FundRich
- **Affected value chain:** Midstream (TDCC and FundRich's own operational scope), downstream (financial institutions, investors, and listed companies).
- **Affected assets and areas:** Office premises and server rooms
- **Impact on the business model:**
  - **Current impact:** During 2025, information security systems were further strengthened, and an intelligent information security orchestration, automation, and response (SOAR) system was implemented to optimize existing information security control capabilities.
  - **Expected impact:** It effectively reduced the likelihood of system interruptions or security incidents, improved day-to-day operational stability, and further enhanced market goodwill.
- **Impact on the value chain:**
  - **Impact:** In 2025, the continued strengthening of information security incident reporting procedures and communication agreements through operational drills, and the implementation of employee training, helped to strengthen joint information security defense capabilities with suppliers, to improve the stability and security of services, and to effectively protect customers' data assets.
  - **Expected impact:** Strengthening system stability and service continuity will effectively enhance customer confidence.

Response strategy and action measures:

Current Progress(2025)	Anticipated Plan(2026 and thereafter)
The Company carried out the following activities: 1.Employee information security training was conducted: Include annual information security training for all employees and targeted information security training dispatched to professional departments. 2.Strengthened the management system: Related measures included hiring an information security consultant, procuring information security monitoring systems and defensive equipment, and conducting continuous validation of the ISO 27001 Information Security Management Standard, TPIPAS personal data management certification, and CBPR cross-border privacy rules. 3.Email-based social engineering drills 4.Introduced a source-code scanning platform In addition, the subsidiary conducted the following: annual information security training for all employees; arranged training for specialized information security units; verified compliance with the ISO 27001 information security management standard; conducted email-based social engineering drills; and implemented a source-code scanning platform.	The Company will continue its current strategy by sustaining employee information security training, strengthening management systems, and conducting verification. Additionally, we planned to increase the recruitment of information security professionals to further enhance information security management capabilities in order to effectively control and reduce incidents of information leakage or system interruptions. In addition, the subsidiary planned to arrange in 2026 for developers to attend a course on the Secure Software Development Life Cycle (SSDLC) to systematically reinforce secure development principles among developers.

3.2.2 Customer relations and rights protection

Sustainability-related risks: Customer attrition and diminished loyalty

- **Risk scenario and description:** The TDCC's service counterparties included government agencies and corporate entities; its centralized custody and book-entry transfer services functions were critical to the safety of financial market operations and to the protection of investors' equity. In addition, a subsidiary provided an online mutual fund trading platform to the broad investing public. Therefore, customer relationship management is essential to the operations of TDCC and FundRich, which is why the company has implemented a comprehensive CRM strategy. Failure to manage customer relationships adequately or protect their rights may result in penalties from regulatory authorities and lead to investor dissatisfaction, which could have a negative impact on the stability of the financial market.
- **Impact period:** short-term (1-3 years)
- **Affected entities:** TDCC and FundRich
- **Affected value chain:** Midstream (TDCC and FundRich's own operational scope), downstream (financial institutions, investors, and listed companies).
- **Affected assets and areas:** Office premises
- **Impact on the business model:**
  - **Current impact:** In 2025, no material customer complaint incidents or related penalty cases occurred, and there was no direct impact in the reporting period.
  - **Expected impact:** The primary service recipients were institutional clients and retail investors, and the services were primarily supportive of the financial market. If customer dispute incidents had occurred that diminished customer loyalty, and if the circumstances had been severe, penalties could have been imposed, undermining market credibility and negatively affecting the reputations of TDCC and FundRich.
- **Impact on the value chain:**
  - **Current impact:** There was no direct impact in the reporting period.
  - **Expected impact:** If customer relationship had not been properly managed, resulting in impairment of customers' equity, it could also have led to decreased customer satisfaction and a decrease in customers' level of trust.

Sustainability-related opportunities: Attracting new customer segments and enhancing customer stickiness.

- **Opportunity description:** Building strong relationships with customers will enable TDCC and FundRich to gain a better understanding of the needs and service gaps of regulatory authorities or financial market participants, and, through their feedback, to refine service content and improve service quality. Furthermore, if a positive two-way interactive relationship had been established with financial market participants, it would have enhanced service satisfaction and trust in the TDCC and FundRich, and promoted the stable operation of the trading market.
- **Impact period:** Short-term to medium-term (1-5 years).
- **Affected entities:** TDCC and FundRich
- **Affected value chain:** Midstream (TDCC and FundRich's own operational scope), downstream (financial institutions, investors, and listed companies).
- **Affected assets and areas:** Office premises
- **Impact on the business model:**
  - **Current impact:** In 2025, customer satisfaction and the number of new customers did not exhibit significant growth; there was no direct impact during the period.
  - **Expected impact:** If the attraction of new customer segments had continued, it would have helped expand the customer base, increase transaction volumes, and enhance market reputation.
- **Impact on the value chain:**
  - **Current impact:** There was no direct impact in the reporting period.
  - **Expected impact:** If new customer segments continued to be attracted and customer stickiness improved, the organization could have received more suggestions from users, generated a virtuous cycle in business development, and launched service models better aligned with customer needs.

Response strategy and action measures:

Current Progress(2025)	Anticipated Plan(2026 and thereafter)
The Company carried out the following activities: 1.Implement customer relationship management: Include providing customer service education and training, commissioning a professional market-research firm to conduct a customer satisfaction survey, and organizing business exchange meetings and other related activities. 2.Business promotion and customer segment analysis: A marketing firm was engaged to place advertisements in print media and on television, and to conduct influencer marketing. 3.Reward and feedback mechanism: To encourage and acknowledge participants' active cooperation in carrying out the business of the Company, various reward and feedback programs were established to facilitate the smooth implementation of the business of the Company. In addition, the subsidiary also implemented customer service training and conducted customer-group tagging and customer data analysis.	The Company and its subsidiary will continue to follow the current strategy, concentrate on the development of key services and new products, further deepen service satisfaction survey efforts, and continue to plan related business marketing activities.

3.2.3 Measures in response to climate change

To respond to climate change risk and capture related opportunities, the Company actively implemented a low-carbon transition plan, increased procurement of renewable energy, purchased energy-efficient equipment, and encouraged employee adoption of energy-saving measures, which advanced the green transition of its operations. In addition, the Company has established an RE100 energy transition target and, with reference to the SBT Net-Zero Pathway, set a target to reduce category 1 and category 2 greenhouse gas emissions by 98.35% by 2030. Progress on all action measures and targets was tracked and managed annually by the Sustainable Development Committee to ensure the effective implementation of the transition strategy (see 5.1.3 Measures in Response to Climate Change).

In addition, to grasp the impacts of climate change and to plan response measures and contingency strategies in advance, the Company has comprehensively taken into account the climate issue of concern to international central securities depositories and related institutions, futures exchanges, the securities over-the-counter center, and major financial institutions, and has formulated an integrated assessment of the relevant climate risks and opportunities. The risk assessment items included climate transition risk, climate physical risk, policy and regulatory risk, reputational risk, market risk, and technology risks. The opportunity assessment items included market opportunities, product and service opportunities, resilience opportunities, and energy consumption efficiency opportunities. (Please refer to the TDCC 2024 TCFD Report.)

Following identification, "transition risk — energy supply instability and rising prices" and "physical risk — increased frequency of typhoon impacts" were material climate risks, while the "market opportunity — enhancement of goodwill" was a material climate opportunity. Based on consideration of the magnitude of financial impact, the Company identified typhoon-related physical risk and market opportunities as management priorities, and evaluated the direct impact of risks and opportunities as well as the related response strategy. The details were as follows:

Sustainability-related risks: Climate change-related disasters affected daily operations and business stability

- **Risk scenario and description:** This risk was categorized as a physical risk related to climate change. Had climate change intensified, the frequency and severity of natural disasters could have increased, which would have impacted the daily operations of TDCC and FundRich. For example, global warming could have led to higher energy prices or supply instability, which raised operating costs and even caused disruptions to back-end data services. Or when an acute disaster such as a severe typhoon struck, the competent authorities might have issued notices suspending work, causing the trading market to close simultaneously, postponing delivery and settlement operations, delaying clearing times, and affecting the stability of the financial market.
- **Impact duration:** short-term to long-term (affecting at least 1-5 years and possibly exceeding 5 years).
- **Affected entities:** TDCC and FundRich
- **Affected value chain:** Midstream (TDCC and FundRich's own operational scope)
- **Affected assets and areas:** Office premises and server rooms
- **Impact on the business model:**
  - **Current impact:** In 2025, a typhoon struck and caused trading on the financial market to be suspended, which directly impacted the Company's operations.
  - **Expected impact:** Had a climate change-related disaster occurred, it would have affected TDCC and FundRich, threatening the operational stability of the Company itself and its associated information technology/data centers.
- **Impact on the value chain:** There was no direct impact.

Response Strategy and Action Measures:

Current Progress(2025)	Anticipated Plan(2026 and thereafter)
The Company carried out the following activities: 1.Ongoing verification of ISO 22301 was conducted to ensure continuity following a disaster. 2.Conducted a business continuity management (BCM) exercise for critical infrastructure. 3.Periodic disaster response drills were conducted. In addition, the subsidiary conducted critical infrastructure business continuity management (BCM) exercises and held regular disaster response drills.	The Company and its subsidiary will continue the current strategy going forward, continuing to conduct disaster-prevention drills and business continuity management exercises. Through risk simulations and by strengthening business continuity management, they will internalize emergency response measures and cooperation mechanisms for disasters into the organizational culture. Ensured that, in the event of a risk incident, the impact caused by climate disasters will be addressed promptly and business operations will be restored.

Sustainability-related opportunities: The trend of climate change created business opportunities in the green finance market

- **Opportunity description:** As the green finance, transition finance, and sustainable finance markets have expanded, corporate demand for carbon emissions data, environmental impact and climate change risk analysis, and other sustainability data has steadily increased. TDCC could leverage its data management strengths to integrate publicly available information or to collaborate with other information providers in jointly developing more targeted climate data services and analytics platforms. As part of our efforts to help businesses achieve their sustainability goals, we are also working to generate new sources of revenue for TDCC.
- **Impact duration:** short-term to long-term (affecting at least 1-5 years and possibly exceeding 5 years).
- **Affected entities:** TDCC
- **Affected value chain:** Midstream (TDCC's own operational scope), downstream (securities firms, banks, insurance companies, and other financial institutions).
- **Affected assets and areas:** Office premises
- **Impact on the business model:**
  - **Current impact:** In 2025, platform service revenues related to climate and sustainability information did not exhibit significant growth. There was no direct impact during the reporting period.
  - **Expected impact:** Continued development of sustainability-related innovative financial services would help improve the market's reputation.
- **Impact on the value chain:**
  - **Current impact:** Service users (e.g. institutional investors) used the Company's data analysis tools to reduce the operational time and labor costs associated with collecting, screening, and processing data required for greenhouse gas inventory.
  - **Expected impact:** It was expected that the development of sustainability-related innovative financial instruments would help improve the quality of domestic companies' sustainability information disclosure, promote the sound development of the financial market, and create a trading environment for participants and investors that was more consistent, comparable, transparent, and trustworthy.

Response Strategy and Action Measures:

Current Progress(2025)	Anticipated Plan(2026 and thereafter)
1.Developed a corporate carbon accounting tool for the financial sector that enabled companies to calculate financed and invested emissions through the platform tool, to formulate reduction plans for each assets position, and to review annual indirect greenhouse gas emissions. 2.Continued to maintain and develop platform tools related to sustainability information disclosure (e.g. the ESG IR platform). 3.Digital services were developed to replace traditional paper dividend notices and the paper used in shareholder-services application processes—including paper consumption, printing, and distribution—thereby achieving a reduction of greenhouse gas emissions, and the types and quantities of services offered were continuously expanded. 4.We collaborated with major international corporate governance organizations, ESG rating agencies, and sustainability-related initiatives to hold large-scale seminars. The seminars convened domestic and international institutional representatives, listed companies, and securities- and futures-related entities to exchange views and discuss issues such as corporate governance, sustainability information disclosure, trends in sustainability ratings, and green finance. 5.In cooperation with the Securities Dealers Association, we established a sustainable development bill system, provided sustainable development bill services, guided enterprises to invest in sustainable projects through short-term bills, enabled investors to implement responsible investment, and promoted the sustainable development of the bill market.	Going forward, we will continue the current strategy and develop supportive financial services related to sustainability information disclosure and to financial-sector financial carbon inventorying, and will cooperate with competent authorities to promote greater transparency in the disclosure of information by listed and OTC companies in Taiwan, ensuring that investors can conveniently view and obtain the sustainability information of investee companies. It further captures market momentum to seize opportunities in the sustainable finance market.

3.3 Impact on Financial Position, Financial Performance, and Cash Flows

This section provided disclosure of financial information related to material sustainability risks and opportunities. It was intended to enable the primary users of general-purpose financial reports to understand the reasonably expected impact of material sustainability-related risks and opportunities on the Company's outlook, and the extent to which the strategy measures implemented by the Company and subsidiary would affect the financial position, financial performance, and cash flows. The following sections provided separate explanations of the material sustainability risks and material sustainability opportunities.

3.3.1 Information security

Information security was the cornerstone of the sound development of financial services and trading markets. To provide secure, efficient, and stable information services to the financial market, the Company established a comprehensive information security development strategy, technologies, and management systems. It also extended the information security-related operational procedures from the IT unit to all departments and subsidiaries to ensure their implementation and compliance.

In 2025, the Company and its subsidiary continued to devote efforts to information security management, strengthening information security defenses through upgrades and the implementation of information security monitoring systems and defensive equipment. Meanwhile, the Company also maintained certification for the ISO 27001:2022 information security management system and completed certification for the ISO 22301:2019 business continuity management system, the Taiwan personal data protection and management system (TPIPAS), and the cross-border privacy rules (CBPR). Verification by external organizations ensured that the information system's confidentiality, integrity, and availability were not at risk.

In addition to commissioning external organizations to conduct periodic verification of its information security program, the Company also held annual information security drills and testing, and implemented employee information security training. Through preventive and detective measures in daily operations, and the enhancement of all-employee information security awareness, the information security of systems and the operational environment was maintained.

Information Security-related Actions and Measures Implemented in 2025

Verification of Information Security-related Systems	Information Security Exercise	Information Security Testing	Employee Information Security Training
• ISO 27001：2022 • ISO 22301：2019 • TPIPAS • CBPR	• Off-site backup drills for information systems • Critical infrastructure protection plan drills • Email-based social engineering drills • Distributed denial-of-service (DDoS) attack drills • Information security incident reporting exercise	• Information security health check • Penetration testing • System vulnerability scan • Website vulnerability scanning • Source code inspection • Basic information security testing standards for mobile applications	• Each IT staff member received at least 3 hours of professional information and communications security training • Each information and communication staff member received at least 15 hours of professional information and communications security training • All personnel received 3 hours of information and communications security awareness training

▶ Except for ISO 22301:2019, TPIPAS, CBPR and the critical infrastructure security protection plan drill, which were carried out by TDCC, the remainder were executed by TDCC and FundRich.

Through these information security-strengthening measures and a robust information security management system, the Company protected users' personal data, ensured market participant information security, and effectively prevented cyberattacks, thereby avoiding information security vulnerabilities that could have affected daily operations and investor privacy. In 2025, the Company did not experience any incidents of information leakage or system interruptions.

Current and Expected Financial Impact (2025 and 2026)

To promote information security action measures, the Company and its subsidiary invested related strategy funds in 2025. These funds covered information security management system certification fees, service fees for engaging external parties to conduct training, and expenses for information security system testing and drills.

The expected financial impacts for 2026 consisted of amounts that could reasonably be expected to arise from the continuation of the 2025 strategy actions. In addition, based on an assessment of the information then available, the information security risk impact for 2025 has no material financial impact to the carrying amount of assets and liabilities for 2026. The amount of the impact on financial condition, financial performance, and cash flows was summarized as follows:

Unit: NT$ thousands

Statements of comprehensive income	2025	2026
Operating expenses	86,134	198,545
Non-operating expenses	300	500
Balance sheets	**2025**	**2026**
Property and equipment	81,715	207,683
Intangible assets	29,850	33,234
Other current assets	69,989	1,600
Accrued expenses	744	-
Statements of cash flows	**2025**	**2026**
Net cash used in operating activities	49,690	83,833
Net cash used in investing activities	115,061	244,365

Note 1:The "Operating expenses" covered employee training costs undertaken to strengthen information security, fees for professional information security consultant services, and depreciation and amortization expenses arising from information security hardware and software.
Note 2:The "Non-operating expenses" included administrative fines arising from deficiencies in information security operations.
Note 3:The "Property and equipment" and "intangible assets" were capital expenditures for the acquisition of information security hardware and information security software.

Summary and Explanation of Financial Impacts:

▶ **The impact of information security risks and opportunities on short-, medium-, and long-term financial position, financial performance, and cash flows.**

- **Short-term (1-3 years):** In 2025, the subsidiary was subject to an administrative fine due to deficiencies in information security operations. The relevant amount was directly recorded as non-operating expenses for the period, which affected the period's net profit and increased cash generated from operating activities. However, the relevant amount was assessed to have an immaterial impact on the subsidiary and did not cause a severe impact on its short-term financial condition, financial performance, or cash flows.
- **Medium-term (3-5 years):** The Company and subsidiary will continue to invest in related software and hardware to reduce information security risks; however, the relevant amount will have a limited impact on the overall financial condition.
- **Long-term (over 5 years):** The information security risks and opportunities identified by the Company were primarily concentrated in the short and medium-term, and had limited sustained impact on the long-term (over 5 years). Furthermore, because the types of information security threats and attack techniques were continually evolving, it was difficult to accurately assess the actual impact of existing measures on long-term financial performance, and the reference value of the related assessment results was likely limited.

▶ **Impact of the related response strategy on short-, medium-, and long-term financial condition, financial performance, and cash flows.**

- **Short-term (1-3 years):** To address information security risks and opportunities, the Company and subsidiary took multiple actions and funded related expenditures from own funds, including consultant fees, ISO 27001 and TPIPAS certification maintenance fees, and purchases of information security software and hardware, etc. Although the related expenses increased cash outflows and produced a immaterial impact on the Company's net profit, the amount represented approximately 0.87% of profit before tax, and they were not expected to affect the availability of financial resources.
- **Medium-term (3-5 years):** In response to the data center relocation plan, a larger-scale investment in information security hardware and infrastructure (such as intrusion prevention systems, data backup and redundancy mechanisms, and firewall equipment) was anticipated to meet information security management requirements. The investment projects will be funded with internal funds and will be recorded as property and equipment items on the balance sheets, producing a discernible impact on the medium-term financial condition; however, no new borrowings will be required, and the financial structure will therefore remain stable. Although the investment project may have increased cash outflows from investing activities in the short-term, the related expenditures were one-time, and the capital injection helped enhance information security risk management capabilities, thereby avoiding the risk of potentially substantial losses.
- **Long-term (5 years or more):** The Company and subsidiary will continue the short-term and medium-term information security response strategy. Because information security equipment and software require ongoing upgrades and maintenance, the Company will continue to allocate appropriate resources for updates, verification, and maintenance. Related expenditures will be included in a separate information security budget, and their impact on the Company's financial condition, financial performance, and cash flows will be controllable. As the Company's information security management capabilities improved, if it were to obtain government subsidies or receive customer trust-related benefits due to compliance requirements or market demand, it could also generate additional revenue or cost savings, thereby further strengthening the Company's financial resilience.

3.3.2 Customer Relations and Rights Protection

The Company and subsidiary both placed great importance on customer relationship management and adopted consistent customer service principles, regarding it as the core of business development. In line with a customer-demand-oriented approach, we committed to safeguarding customer equity, optimizing service experiences and product functionality, expanding the customer base, maintaining

high satisfaction, and reducing the risks of customer complaint disputes and attrition. The Company and subsidiary implemented a bidirectional customer relationship management strategy. Internally, through telephone customer service training and customer feedback improvement meetings, they continually optimized service mechanisms. It further provided multiple grievance and consultation channels, such as dedicated staff hotlines, to ensure that customer needs could be addressed promptly. At the same time, we established an online digital platform that provided up-to-date information and convenient data-download services, thereby delivering current financial product information to customers. Externally, we employed a satisfaction survey, customer-segmentation analysis, reward and feedback mechanisms, and diversified marketing measures. These efforts allowed us to gain an in-depth understanding of customer needs and preferences, strengthen product appeal, increase customer stickiness, and effectively attract new customers.

In 2025, the Company and subsidiary held multiple business exchange meetings and promoted them through print media, television advertising, and influencer collaboration projects. In addition, the Company continued to encourage and acknowledge participants who actively cooperated in carrying out the Company's business, and established various reward and incentive programs to thereby enhance customer loyalty. At the same time, a market research firm was commissioned to conduct a satisfaction survey on three services: the shareholder affairs e-notice service, the participants' dynamic settlement status inquiry platform for bills and bonds (Easy Inquiry), and the procedures for participants' implementation of flexible measures for handling securities received as prepayments. According to the survey results, customers generally gave positive evaluations. The questionnaire response rate among all users reached 100%, and the average satisfaction score across service indicators reached 96.59 points, which demonstrated the Company's effectiveness in customer relationship management and its recognition in the market.

Current and Expected Financial Impact (2025 and 2026)

To implement the above measures, the Company and subsidiary invested strategy funds in 2025, covering service rebate payments, fees for services provided by contracted market research firms, marketing and advertising expenditures, fees for commissioned customer-segmentation analysis projects, and related expenses incurred from business exchange meetings.

The expected financial impacts for 2026 consisted of amounts that could reasonably be expected to arise from the continuation of the 2025 strategy actions. In addition, based on an assessment of the information then available, the customer relationship and rights protection risk impact for 2025 has no material financial impact to the carrying amount of assets and liabilities for 2026. The amount of the impact on financial condition, financial performance, and cash flows was summarized as follows:

Unit: NT$ thousands

Statements of comprehensive income	2025	2026
Operating revenues	(334,593)	(225,383)
Operating expenses	184,928	288,360
Balance sheets	**2025**	**2026**
Intangible assets	58,839	89,167
Other current assets	34,194	4,800
Statements of cash flows	**2025**	**2026**
Net cash used in operating activities	491,321	464,695
Net cash used in investing activities	46,167	53,795

Note 1:The "operating revenues" included rebates paid to encourage participants to engage in the market and was recorded as a deduction from service revenue.
Note 2:The "operating expenses" included commissioning marketing firms to conduct a customer satisfaction survey, advertising and marketing activities, the holding of business meetings, and depreciation and amortization expenses arising from related software and hardware.
Note 3:The "Property and equipment" and "intangible assets" were hardware and software procurements incurred as a result of adjustments to product functionality made in response to customer feedback.

Summary and Explanation of Financial Impacts:

▶ **The impact of customer relationship and rights protection risks and opportunities on short-, medium-, and long-term financial position, financial performance, and cash flows.**

- **Short-term (1-3 years):** In 2025, the Company and its subsidiary did not experience any serious customer complaints, nor did they experience any significant changes in customer numbers or satisfaction that led to increases or decreases in revenue. Accordingly, short-term financial condition, financial performance, and cash flows did not suffer a material impact.
- **Medium-term (3-5 years):** As the TDCC is the only back-office institution in our country's financial market, and FundRich has, in recent years, developed a high degree of market distinctiveness with a relatively stable customer base that was less affected by changes in the external environment, it was expected that, during the medium-term, its financial condition, financial performance, and cash flows would not experience significant impact.
- **Long-term (5 years or more):** The long-term impact was similar to the medium-term, but if the Company and its subsidiary continued to strengthen digital services and deepen customer interactions, they could further improve customer satisfaction and loyalty, producing a positive effect on financial soundness. However, amid changes in financial market demand and the environment, customer behavior and preferences remained uncertain; consequently, the extent to which the related risks and opportunities affected the financial condition, financial performance, and cash flows depended on market developments and changes in customer demand.

▶ **Impact of the related response strategy on short-, medium-, and long-term financial condition, financial performance, and cash flows.**

- **Short-term (1-3 years):** Investments in customer relationship management measures continued, including market research, marketing and promotion, and programs to enhance customer satisfaction, and were funded with own funds. Although the related

expenses increased cash outflows and produced a immaterial impact on the Company's net profit, the amount represented approximately 5.20% of profit before tax, and they were not expected to affect the availability of financial resources.

- **Medium-term (3-5 years):** The customer relationship management strategy was expected to maintain the existing policy and to continue optimizing digital platforms and marketing programs to enhance service experience and customer retention. Because there were no major equipment replacement plans, capital expenditures in the medium-term were expected to affect the Company's financial condition, financial performance, and cash flows in a manner similar to the short-term.
- **Long-term (over 5 years):** As market competition and customer demand continue to change, the Company and subsidiary will continue to strengthen customer relationship management strategy to improve service quality and ensure market competitiveness. Although sustained marketing expenditures resulted in cash outflows, in the long-term, robust customer relationship management helped reduce the customer churn rate, increase brand loyalty, and further strengthen revenue stability.

3.3.3 Measures in Response to Climate Change

▶ Climate risks - Climate change-related disasters affected daily operations and business stability

The business continuity of the financial market was crucial to maintaining a stable trading environment and to promoting the development of the national economy. For the Company, the most direct impact of climate change stems from the increased intensity of natural disasters such as typhoons, which may result in stock market closures and, in turn, affect the normal operation of clearing and settlement activities.

As an important institution within the nation's critical infrastructure in the financial sector, TDCC was committed to ensuring that the essential operations of the securities, futures, funds, and debt securities market could rapidly activate recovery mechanisms in the event of an emergency and maintain uninterrupted operation. Accordingly, the Company passed the British Standards Institution (BSI) assessment in 2020 and formally obtained ISO 22301:2019 business continuity management system certification. It was used as the basis for business continuity management; in accordance with the standard management framework, the Business Continuity Plan (BCP) was developed and national critical infrastructure protection (CIP) exercises were conducted.

In recent years, the Company further expanded the scope of risk identification. In addition to the existing risks of earthquakes and lightning strikes, it incorporated typhoons, floods, and droughts as extreme climate disaster scenarios in drills to strengthen the impact assessment of natural disasters on operations. We simulated various disaster scenarios to pre-plan response measures and thereby strengthened staff crisis-management mechanisms and the capacity to sustain critical business operations. Ensured that, in the event of a crisis, the notification mechanism could be activated promptly and appropriate response actions could be taken, thereby minimizing damage and restoring normal business operations as quickly as possible.

In 2025, the Company continued to pass the annual review of the ISO 22301:2019 business continuity management system and conducted Business Continuity Management (BCM) exercises and natural disaster evacuation drills. By implementing the exercise plan, risks that threatened operations were controlled, the disaster resilience of infrastructure and core functions was strengthened, and disaster recovery was accelerated. Provided optimal protection to ensure the normal operation of our country's securities, futures, funds, and debt securities market.

Current and Expected Financial Impact (2025 and 2026)

To promote the above measures, the Company and its subsidiary invested related strategy funds in 2025 to cover expenses arising from the implementation of business continuity management and disaster drills, as well as labor fees for third-party verification.

The expected financial impacts for 2026 consisted of amounts that could reasonably be expected to arise from the continuation of the 2025 strategy actions. In addition, based on an assessment of the information then available, the climate risk impact for 2025 has no material financial impact to the carrying amount of assets and liabilities for 2026. The amount of the impact on financial condition, financial performance, and cash flows was summarized as follows:

Unit: NT$ thousands

Statements of comprehensive income	2025	2026
Operating expenses	6,070	10,353
Balance sheets	**2025**	**2026**
	No impact	
Statements of cash flows	**2025**	**2026**
Net cash used in operating activities	6,070	10,353

Note 1:The "operating expenses" consisted of overtime pay for implementing the business continuity plan (BCP), fees paid to third-party companies for greenhouse gas verification and ISO 22301 certification, fees paid to a sustainability consultant, and other related expenses.

Note 2:The ISO 22301 management system covered the management processes for both information security risks and natural disaster risks. Because it was difficult to distinguish those impact figures, some of this office's content regarding impact amount may have overlapped with information security risks.

Summary and Explanation of Financial Impacts:

▶ The impact of climate risks on short-, medium-, and long-term financial position, financial performance, and cash flows.

- **Short-term (1-3 years):** In 2025, due to overtime payments for implementing the business continuity plan (BCP), sustainability-related consultant and verification fees, and the verification service fees for the ISO 22301 business continuity management system, cash outflows from operating activities increased. However, the relevant amount was assessed to have an immaterial impact on the Company and did not cause a severe impact on its short-term financial condition, financial performance, or cash flows.
- **Medium-term (3-5 years):** The above expenditures were recurring annual expenditures and the amount was not material. They did

not constitute a continuing impact on the Company's medium-term financial condition, financial performance, or cash flows. However, extreme typhoon events caused by climate change may continue to affect operational stability. Therefore, if similar situations occur in the future, the Company will adjust its human resource allocation according to actual needs to mitigate the financial impact of such emergencies.

- **Long-term (over 5 years):** Typhoon-related disasters were likely to exhibit a trend of declining frequency but increasing intensity. Domestically, typhoon holidays were still likely to be declared due to the landfall of strong typhoons, resulting in stock market closures. Furthermore, as daily trading volumes of domestic financial products had continued to increase, if trading had been suspended due to a typhoon, it could have been necessary to incur additional labor costs to accommodate the resulting demand for overtime. However, upon evaluation, the relevant amount's impact on the Company remained relatively small, and it was not expected to have a material impact on the Company's financial condition, financial performance, or cash flows.

▶ **Impact of the related response strategy on short-, medium-, and long-term financial condition, financial performance, and cash flows.**

- **Short-term (1-3 years):** The Company's strategy to address climate risks included promoting business continuity management plans, conducting business continuity management (BCM) exercises, and disaster drills. Related expenditures were primarily funded by the Company's own funds. Although the aforementioned expenses increased cash outflows and produced an immaterial impact on the Company's net profit, the amount represented approximately 0.06% of profit before tax, and they were not expected to affect the availability of financial resources. Through the continued implementation of the climate risk response strategy and the conduct of disaster drills, the Company effectively enhanced its overall disaster prevention and response capabilities and reduced the risk of operational disruption.

- **Medium-term (3-5 years):** The Company's climate risks and opportunities action policies were predominantly continuity measures, and at that stage there was no need to install large-scale disaster prevention equipment. Therefore, the scale of expenditures for the related measures could be conservatively estimated, and their impact on the financial condition, financial performance, and cash flows was similar in the short-term.

- **Long-term (over 5 years):** The Company will continue the short- and medium-term climate risk management strategy and may further strengthen the disaster prevention facilities of its data centers. However, the impacts of long-term climate risks were highly uncertain, and the future frequency and intensity of typhoon disasters could affect the magnitude of adjustments to response strategy and the scale of funding required. Therefore, at this stage it was difficult to precisely assess the long-term financial impacts. Going forward, the Company will continue to monitor climate change trends and make timely adjustments to related resource allocations to ensure financial stability.

▶ **Climate opportunities - The trend of climate change created business opportunities in the green finance market**

The Company was committed to providing investors with a more convenient digital experience. In recent years, it aligned with domestic demand for sustainable finance financial services and with the Financial Supervisory Commission’s policy initiatives, adopting “innovation” and “sustainability” as the two principal topic areas for development. It sought to expand low-carbon and sustainability-related products and services to address the financial market changes brought about by climate change. Through sustainable finance's "4C services": Climate, ESG ratings and codes (Code), stewardship and compliance (Compliance), and Corporate Governance, diverse FinTech solutions were provided to the market to realize the vision of jointly promoting the sustainable development of the financial market.

Services developed in recent years included the shareholder e-service platform and the TDCC e-Passbook App, as well as various other digital applications. Among them, the "shareholder e-service" platform integrated the following services: eVoting, shareholders' eMeeting, shareholder affairs e-notice, and shareholder affairs eCounter. The goal was to build a digital bridge between the issuing company and shareholder, while reducing carbon emissions generated by physical operations.

In addition to continuing to launch digital products, the Company also actively explored opportunities for emerging services. In view of the growing attention from governments in various countries and institutional investor to corporate ESG performance, the Company launched the ESG IR Platform in 2020 and introduced an ESG rating inquiry service. Subsequently, the Company not only released one domestic “Code of Conduct for ESG Rating Agencies,” but also successively provided information from the five major global ESG rating agencies and three domestic rating items to market participant free of charge for reference, in order to strengthen the transparency and accessibility of corporate sustainability information.

In late 2024, TDCC launched the country’s first standardized, free-to-use financial-sector scope 3, category 15 financial carbon emissions calculation and estimation tool. In 2025, it consolidated feedback from domestic institutions, completed content updates, and officially published the tool online. It was hoped that it could continue to serve as a strong support for Taiwan's market participants, assisting institutional investors in simplifying greenhouse gas inventory, strengthening sustainability information disclosure, and tracking the results of carbon reduction targets, in order to encourage companies to implement climate change risk management.

In 2025, TDCC jointly launched a sustainable development note program with Taipei Bills Finance Association. The program, aligned with the characteristics of short-term notes, enabled companies to conduct revolving issuance under the same program document to achieve long-term sustainable development targets, provided support for companies' sustainable transformation, and encouraged companies, note dealers, and investors to realize a sustainable future through green transition.

Current and Expected Financial Impact (2025 and 2026)

To implement the above measures, the Company invested related funds in 2025 to cover the costs of developing digital platform services and scope 3 analytical tools within the financial industry. In addition, revenue was generated through digital services.

The expected financial impacts for 2026 consisted of amounts that could reasonably be expected to arise from the continuation of the

2025 strategy actions. In addition, based on an assessment of the information then available, the climate opportunity impact for 2025 has no material financial impact to the carrying amount of assets and liabilities for 2026. The amount of the impact on financial condition, financial performance, and cash flows was summarized as follows:

Unit: NT$ thousands

Statements of comprehensive income	2025	2026
Operating revenues	172,254	159,300
Operating expenses	18,461	36,043
Balance sheets	**2025**	**2026**
Intangible assets	406	162
Statements of cash flows	**2025**	**2026**
Net cash generated from operating activities	154,036	123,500

Note 1:The "operating revenues" comprised revenue from electronic services such as electronic voting, shareholder meeting video conferencing, and shareholder affairs e-notices. The "operating expenses" comprised amortization expenses incurred from engaging system development companies to assist in implementing service platform functionality, expenses for upgrading or maintaining related electronic platforms, and e-notice operational processing fees.

Note 2:The "intangible assets" comprised software purchase costs incurred during the development of the platform service.

Summary and Explanation of Financial Impacts:

▶ **The impact of climate opportunities on short-, medium-, and long-term financial position, financial performance, and cash flows.**

- **Short-term (1-3 years):** The Company continued to promote digital finance low-carbon services, which increased electronic service revenue. The related revenue represented approximately 1.72% of profit before tax and contributed to an increase in net profit for the period and in cash inflows from operating activities. It had a positive impact on the Company's financial performance.
- **Medium-term (3-5 years):** In line with the competent authorities' recent sustainable finance development policies, digitized low-carbon services and sustainable finance-related service tools are expected to continue growing and to have a positive impact on financial condition, financial performance, and cash flows.
- **Long-term (over 5 years):** With increasing corporate demand for ESG and digital finance financial services, the Company expects that digitalized business revenue will continue to grow and will drive a steady increase in cash inflows.

▶ **Impact of the related response strategy on short-, medium-, and long-term financial condition, financial performance, and cash flows.**

- **Short-term (1-3 years):** To seize climate opportunities, the Company continued to invest in the development of digital platforms and tools for sustainable finance and financial services. Although the related research and development expenses increased cash outflows and produced a immaterial impact on the Company's net profit, the amount represented approximately 0.18% of profit before tax, and they were not expected to place significant pressure on short-term financial conditions. In addition, investment in digital platform systems and software will increase total assets; however, because no borrowing will be required, the liabilities amount will remain unchanged.
- **Medium-term (3-5 years):** The Company will continue the short-term strategy, and at this stage there is no requirement for large-scale software procurement in the digital platform or sustainable product development plans. Therefore, the amount of expenditures for the related measures could be conservatively estimated, and their impact on the financial condition, financial performance, and cash flows was similar in the short-term.
- **Long-term (over 5 years):** The Company will continue to invest in the development of low-carbon and sustainable products, may expand the scale of its investments, and thereby further affect the value of intangible assets. However, the long-term development trajectory of digital technologies and research and development costs were subject to considerable uncertainty. Future demands for technological innovation and changes in the market environment could influence the extent of adjustments to responsive strategy and the scale of capital investment; therefore, it was difficult at this stage to accurately assess the long-term financial impact. The Company will continue to monitor trends in digital finance and sustainable development, and will adjust resource allocation as appropriate to ensure the stability of its financial condition, financial performance, and cash flows.

3.4 Risk Resilience

The Company and subsidiary conducted a resilience assessment of the three major sustainability risks identified to ensure operational stability and strengthen risk response capabilities.

Regarding risks related to the "information security" topic, the Company conducted multiple information security exercises - including business continuity management (BCM) exercises, email-based social engineering drills, and DDoS drills - to simulate potential impact and, based on the results, improved the information security architecture and incident response mechanisms. Based on analysis of the exercise results, the business continuity plan had met the maximum tolerable downtime target set by the Company, and vulnerabilities in the information systems that could have posed threats were promptly remediated. In addition, the Company has established a core off-site redundancy mechanism to ensure that the backup data center was equipped with an independent power supply, an uninterruptible power supply (UPS), and the capability to operate independently for at least 72 hours. Concurrently, in accordance with the "information systems planning and implementation of information security enhancement measures at each stage" the organization allocates an annual information security budget to address requirements for redeployment of assets arising from unexpected information security incidents or equipment failures, ensuring that financial resources are sufficient and can be deployed flexibly to effectively respond to risk impact.

In the resilience assessment of risks related to customer relationship and rights protection, the Company monitored and analyzed those

risks through the annual satisfaction survey and customer feedback. The President decided on subsequent remedial measures and required the relevant units to conduct root-cause analyses or implement corrective actions for categories of customer feedback that were unsatisfactory. According to the customer satisfaction survey results, the existing customer relationship management strategy has thoroughly planned communication and management mechanisms and, by employing a diversified marketing strategy, has maintained the customer relationship, thereby ensuring that financial availability and assets allocation capacity were not affected.

For risks related to "Measures in response to climate change," the Company conducts resilience assessments through scenario analysis. For details, please refer to the Company's official website → Sustainability → TDCC's Sustainable Development → Report → TCFD Report → Section 2-2: Material Climate Risk Scenario Analysis.

4. Risk Management

4.1 Management Process for Sustainability-related Risks and Opportunities

The Company's relevant departments had established a comprehensive sustainability risk and opportunity management process and had integrated it into daily operations and internal management mechanisms, ensuring that, in the three major issue areas of information security, customer relationship and rights protection, and climate change response, various sustainability risks and opportunities could be identified and addressed through business operations. Each department and office had systematically carried out the identification, assessment, prioritization, and monitoring of their risks within their management scope. Through the risk management process, they were able to effectively identify sustainability opportunities associated with different issues, ensuring that sustainability risks and opportunities were effectively incorporated into the management scope. However, after considering the characteristics of different risks, differentiated management procedures were established for each risk. The Company will continue to optimize its risk management processes to strengthen corporate resilience, enhance market competitiveness, and ensure the Company's long-term stable development.

4.1.1 Information Security

To ensure the stability of information security and the business continuity of critical infrastructure, the TDCC established, under the Digital Development & Information Security Department, the Governance of Information Security and the Information Security Defense Team, which were dedicated to handling information and communications security operations. In accordance with ISO 27001:2022 Information Security Management System (ISMS) and the Business Continuity Management System (BCMS), it established processes for identifying, assessing, prioritizing, and monitoring risks and opportunities to ensure that the organization could effectively respond to and manage information security threats and business continuity challenges.

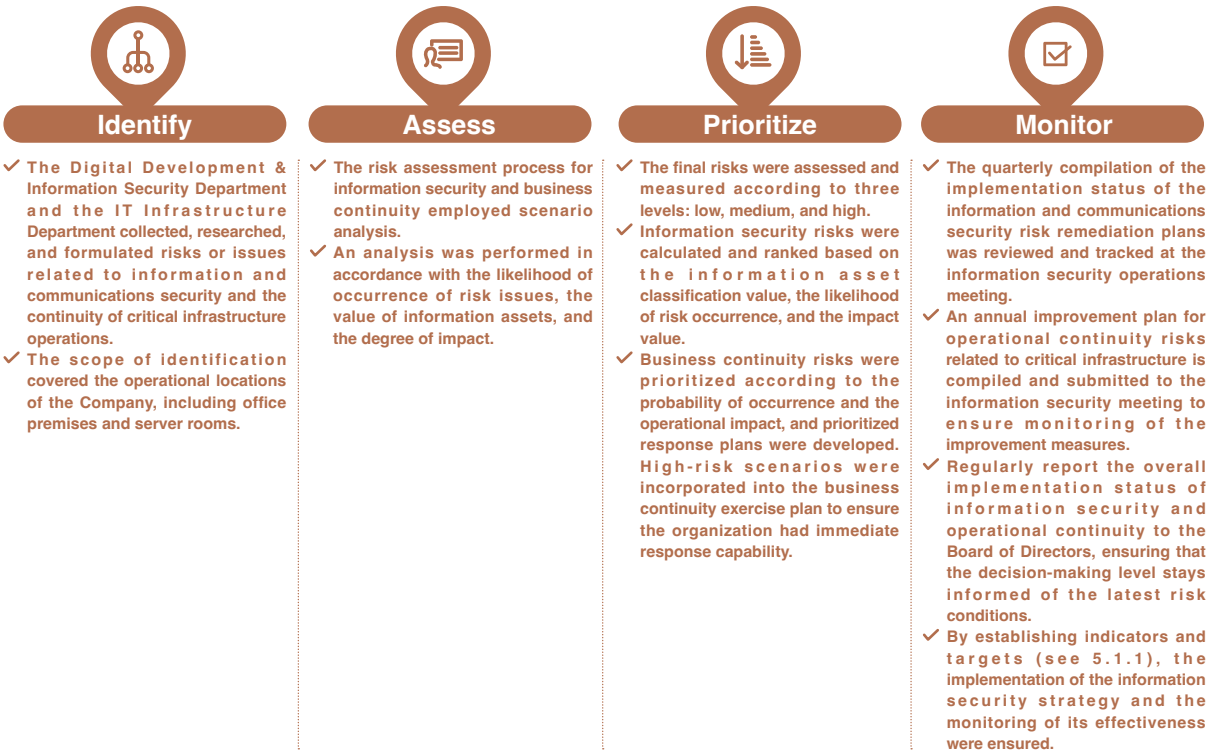


Figure 1 Information security: Process for identifying, assessing, prioritizing, and monitoring risks and opportunities.

4.1.2 Customer Relations and Rights Protection

At present, the risks and opportunities related to customer relationship management are mainly associated with customer satisfaction or service experience. Therefore, TDCC has adopted periodic satisfaction survey and a real-time customer response mechanism as its core management framework. The management processes for the identification, assessment, prioritization, and monitoring of risks and opportunities have been implemented in the daily operations of each department to ensure that risk responses and opportunity identification can be continuously carried out.



Figure 2 Customer relationship and rights protection: Process for identifying, assessing, prioritizing, and monitoring risks and opportunities.

4.1.3 Measures in Response to Climate Change

For effective management of climate change risk and opportunities, TDCC referenced the TCFD (Task Force on Climate-related Financial Disclosures) framework and established processes for identifying, assessing, prioritizing, and monitoring risks and opportunities to ensure that its operational activities and supply chain could adapt to the challenges and opportunities posed by climate change. Utilizing science-based scenario analysis and financial impact assessments , we continuously optimized our climate risk management strategy to ensure long-term operational stability and sustainable development.

For the Company's risk management measures in response to climate change, please refer to the Company's official website → Sustainability → TDCC Sustainable Development → Report → TCFD Report → Section 3-1: Process for Identifying Risks and Opportunities.

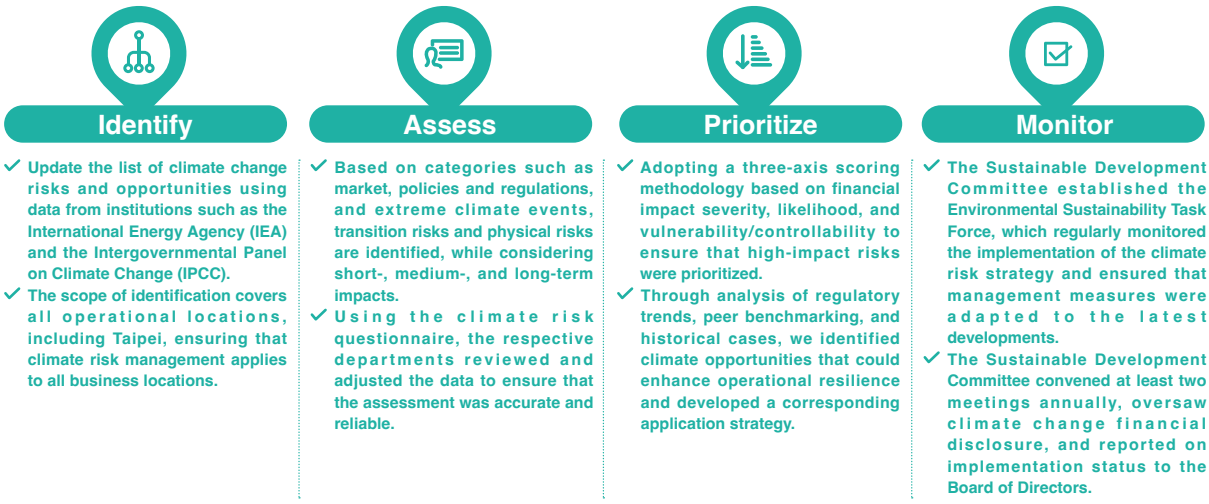


Figure 3 Measures in response to climate change: Process for identifying, assessing, prioritizing, and monitoring risks and opportunities.

5.Metrics and Targets

5.1 Metrics and targets of sustainability-related risks and opportunities

5.1.1 Information Security

Corresponding Risks/ Opportunities	Indicator Items	2025 Annual Targets	2025 Achievement Status	Comparison of Target Achievement Status with the Prior Year
Sustainability-related risks - Data leakage and system outages	・Critical infrastructure did not experience an interruption, or, if an interruption occurred, it was restored to the minimum acceptable service level within the maximum tolerable downtime. ・During the year, incidents of critical infrastructure disruption occurred and, as required by regulations, were reported to the competent authorities. ・The click rate on phishing email simulations to prevent risks such as malware, ransomware, or virus infections.	・No facility disruptions occurred; any that did occur were restored within the allowable tolerance period. ・No abnormal conditions occurred; where abnormalities occurred, the reporting rate reached 100%. ・The ratio was required to be ≦ 3%.	・Achieved ・Achieved ・Achieved	・No differences; no critical infrastructure interruption events. ・No differences; no operational abnormalities occurred. ・No differences; the ratio remained ≦ 3%.
Opportunities - Strengthened information security systems to improve system trustworthiness	・Biannual reviews of information equipment, systems, servers, cloud services, IoT devices, and vendor user accounts are to be conducted. ・Regular reviews must be conducted on password policies and system control improvements for accounts not conforming to password principles or excluded from system controls. ・Throughout the year, the number of instances where system or device account permissions were found noncompliant with the “Account Management Procedure” through audits.	・All departments and offices completed their review activities for the first and second halves of the year. ・Password-related annual review tasks for information systems and devices were completed. ・Measurement results met annual target values.	・Achieved ・Achieved ・Achieved	・No differences; all semiannual review procedures for the first and second halves of the year were completed as scheduled. ・No differences; the review of items that did not conform to password principles was completed for all (achieved). ・No differences; all measurement results met the target value requirements.
Opportunities - Strengthened information security systems to improve system trustworthiness (FundRich)	・Maintained certification to the international information security standard ISO 27001. ・At least 3 hours of information security education and training were held annually, and an additional education and training of at least 15 hours was provided for personnel dedicated to information security.	・Completed the surveillance audit for ISO/IEC 27001:2022. ・A single 1.5-hour training session was held in each half of the year. ・3 dedicated information security personnel and 1 information security manager were appointed, and they completed more than 15 hours of information security professional training by the end of the year.	・Achieved ・Achieved ・Achieved	・No differences; all ISO 27001 certifications were completed as scheduled. ・No differences; all completed the scheduled 3-hour information security training on time. ・No differences; all completed the 15-hour information security professional training as scheduled.

Note 1:The information security control target contents were annual maintenance operational targets. Therefore, the short-term target (2026-2028), the medium-term target (2028-2030), and the long-term target (from 2030) were all subject to consistent control targets, which were established primarily to effectively complete the target contents and to satisfy regulatory requirements.

Note 2:The indicators related to information leakage and system interruptions were established in accordance with the requirements of the "National Critical Infrastructure Security Protection Guidance Outline."

Note 3:Information security-related indicators have not been verified by a third party. The 2025 target has not been adjusted compared with prior years.

5.1.2 Customer Relations and Rights Protection

Corresponding Risks/ Opportunities	Indicator Items	2025 Annual Targets	2025 Achievement Status	Comparison of Target Achievement Status with the Prior Year
Risks - Customer attrition and decrease in customer loyalty	・Customer satisfaction survey results ・Whether core business operations remained stable with no significant deficiencies ・Completion rate for internal customer service training courses.	・Regular customer satisfaction surveys were administered, achieving an average score of 80 points or higher. ・Core business operations remained stable with no significant deficiencies. ・100% training completion rate	・Achieved ・Achieved ・Achieved	・No differences; the satisfaction target was met in all cases; items of dissatisfaction and suggested improvements had been addressed and required no further follow-up. ・No differences; all remained free of material deficiencies, and customer feedback was addressed and responded to promptly. ・No differences; training completion rates all reached 100%.
Opportunities - Attract new customer segments and increase customer stickiness	・Number of users and number of households that used the E-services (including e-Passbook App, E-Services for Shareholders, and Easy Inquiry). ・Held business promotion sessions	・Continuous growth in the number of users and institutions, with no significant decline ・Held multiple business promotion sessions	・Achieved ・Achieved	・Each year, the number of users and households of the e-service continued to grow, and its service scope and market penetration expanded. ・Each year, even when there was no need for new types of business, the company continued to conduct business outreach and briefing sessions to maintain contact with clients and to assist them in becoming familiar with market operations.
Opportunities - Attract new customer segments and increase customer stickiness (FundRich)	・Build a Digital Development financial technology application environment to advance innovation in core business services. ・Program to promote the widespread adoption of personal financial management and financial literacy.	・Increased the number of users of the FundRich Securities App. ・ESG investment-related articles and content were updated at least once per quarter. ・Collaborated with various channels to implement financial education projects, online courses, and in-person seminars on financial literacy and investment trends.	・Achieved ・Achieved ・Achieved	・Each year, the number of users of the FundRich Securities App continued to grow, and its service scope and market penetration expanded. ・Collaborated with fund managers to update market perspectives on ESG investment at least once per quarter. ・The organization collaborated with a fund management company to release 8 episodes of personal finance and financial education courses on YouTube, and partnered with CommonWealth to organize three parent-child financial literacy seminars. Approximately 40 promotional outreach sessions on financial literacy were conducted for military personnel, fire departments, and county and city governments.

Note 1:The content of the control targets consisted of annual maintenance operational targets. Therefore, the short-term target (2026-2028), medium-term target (2028-2030), and long-term target (from 2030) were all governed by consistent control targets.

5.1.3 Measures in Response to Climate Change

Corresponding Risks/ Opportunities	Indicator Items	2025 Annual Targets	2025 Achievement Status	Comparison of Target Achievement Status with the Prior Year
Risks - Climate change-related disasters affected daily operations and business stability	・In alignment with the international overall greenhouse gas reduction strategy and the net zero emissions target, active plans were developed to achieve carbon neutral status and to fulfill the net zero emissions commitment.	・Proportion of renewable energy used ・Compliance with ISO 14068-1 to achieve the carbon reduction roadmap	・Achieved ・Achieved	・No differences; all had achieved the renewable energy target usage proportion. ・No differences; all had implemented the reduction target.
Opportunities - The trend of climate change created business opportunities in the green finance market	・In response to domestic demand for sustainable finance and financial services, and to support the Financial Supervisory Commission's policy initiatives, we adopted "innovation" and "sustainability" as the two main topics for development and expanded low-carbon and sustainability-related products and services.	・Positive growth in the number of users of sustainable finance-related services and products	・・Achieved	・No differences; the ESG IR platform was continuously enhanced, and the financial institutions' scope 3 calculation tool was completed.

Note 1:The content of the control targets consisted of annual maintenance operational targets. Therefore, the short-term target (2026-2028), medium-term target (2028-2030), and long-term target (from 2030) were all governed by consistent control targets.

Indicators Related to Greenhouse Gas Emissions

The Company and subsidiary's scope 1 and scope 2 greenhouse gas emissions

The Company and subsidiary carried out annual greenhouse gas inventory operations in accordance with industry inventory conditions and the ISO-14064-1:2018 greenhouse gas inventory standard. Because the operational-control approach was adopted, the inventory boundary, in addition to covering TDCC and FundRich, did not include calculations of the greenhouse gas emissions of other associates. In addition, the renewable energy used by TDCC was procured from Greenet Co., Ltd., and was supplied via Taiwan Power Company's power grid.

Greenhouse gas scope	Emissions (tCO2e)
Scope 1	32.9087
Scope 2 (location-based)	2,138.3035
Scope 2 (market-based)	1,854.9778

Note 1:The Global Warming Potential (GWP) values used are based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (2023).
Note 2:Regarding greenhouse gas emissions factors, the Bureau of Energy has not announced the 2025 emissions factor; therefore, the 2025 calculations used the 2024 factor of 0.474kg CO2e/kWh.
Note 3:An assurance opinion on the greenhouse gas emissions was not obtained by the annual report printing date; complete assurance information will be provided for disclosure in the ESG Report.

Greenhouse gas emissions of the Company and subsidiary in scope 3-15 categories.

Scope 3 categories	Emissions (tCO2e)
Scope 2: Capital goods	6,675.1517
Category 3: Activities related to fuels and energy	424.9342
Category 6: Business travel	66.8001
Scope 7: Employee commuting	236.0838
Category 8: Upstream leased assets greenhouse gas emissions	332.8741
Category 15: Investment and financing	68,940.85

Note 1:This table presented only the scope 3 categories for which the Company and its subsidiary has conducted inventories.

Climate-related Risks and Opportunities

Climate-related Risks and Opportunities	Assets or business activities susceptible to climate-related transition/ physical risks or opportunities	Numerator amount	Denominator amount	Percentage
Transition risk	Proportion of green electricity in total electricity consumption	617,514 kWh	5,191,323 kWh	11.90%
Physical risk	Proportion of days on which work was suspended due to typhoon impact, relative to the total number of working days in the year.	0 days	246 days	0.00%

Note 1:The Company's climate-related opportunities were mainly pursued by continuously applying emerging technologies such as big data, blockchain, and cloud services to develop tools that better supported the functioning of the capital markets and money markets, reduced the greenhouse gas emissions previously generated by information transmission, such as from paper and transportation services, and focused on the continued development of emerging services. After assessment, the related initiatives have been incorporated into operational procedures; therefore, no specific control target has been established for climate-related opportunities.
Note 2:The Company and subsidiary have not adopted internal carbon pricing to inform related decision-making, nor have they incorporated climate-related considerations into senior executive remuneration. Going forward, they will continue to assess the practical feasibility of doing so.
Note 3: In considering the identification of climate-related risks and opportunities and in target setting, the corresponding industry did not yet have IFRS S2 Industry-based Guidance, and the Company continued to use the SASB standards as a reference.

Greenhouse Gas Reduction Strategy Target and Transition Plan

The Company responded to the Paris Agreement and Taiwan's carbon reduction target, actively pursued reductions in greenhouse gas emissions and made commitments. Beginning in 2023, we implemented carbon neutrality in accordance with the ISO 14068-1:2023 international standard. In July 2025, we were once again verified by the third-party verification body BSI, and has offset the category 1 through category 4 emissions from our office premises and server rooms. The Company's carbon neutral target was categorized into short-term, medium-term and long-term as follows: the short-term target was to reduce category 1 through category 4 greenhouse gas emissions by 31.15% by 2026; the medium-term target was to reduce them by 65.27% by 2028; the long-term target was to reduce them by 96.14% by 2030 and to achieve net zero emissions for category 1 and category 2. For information on the Company's carbon neutrality implementation, please refer to the Company's official website → Sustainability → TDCC Sustainable Development → Report → Carbon Neutrality Report → Chapter 3: Carbon Neutrality Management Plan.

IFRS S1 and S2 Comparison Table

IFRS S1

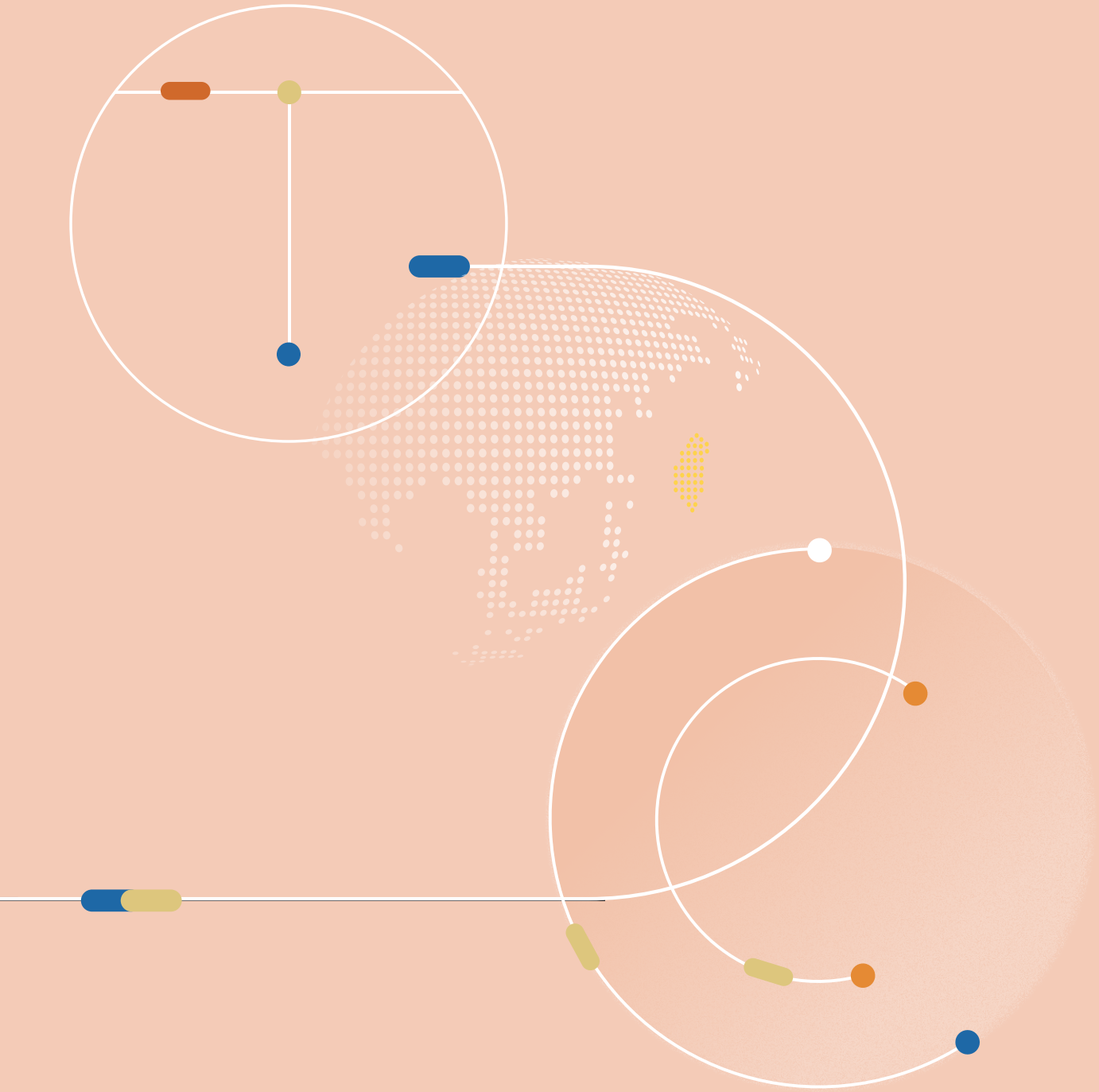
Framework	Article	Chapter	Page
Governance	IFRS S1.26 IFRS S1.27	2.1 Governance of Sustainability-related Risks and Opportunities 2.2 Management Approach and Control Measures	p.65 - p.68
Strategy	IFRS S1.28 IFRS S1.29	CH3 Strategy	p.69- p.80
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	IFRS S1.30 IFRS S1.31	3.2 Impacts of Sustainability-related Risks and Opportunities and the Corresponding Response Strategy	p.70- p.73
		Business Model and Value Chain	
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	IFRS S1.33	3.1 Sustainability Risks and Opportunities 3.2 Impacts of Sustainability-related Risks and Opportunities and the Corresponding Response Strategy	p.69- p.73
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TDCC

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