

Chapter 4

CO-PROSPERING SOCIETY

SPECIAL COLUMN: ORGANIZING FAMILY EVENTS-
ORGANIC XINGJIAN VILLAGE

4-1 CARE FOR STAFF

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4-3 CARE FOR SOCIETY



SPECIAL
COLUMNOrganizing Family Events-
Organic Xingjian Village

Organic Xingjian Village

Xingjian Village is a plain typical agricultural village in Sanxing Township, Yilan County, with a population of around 1,000 people (primarily the elderly), and arable land that spans around 180 hectares in area. It is surrounded by the Xingjian River, Annong River, Wanfu Canal, and Yiyin Road. After it was re-planned, irrigation and drainage were separated. The Annong River is used for irrigation, while the Xinjian River is used for drainage. It is the most suitable option for building an organic village in Yilan. The old farmers in the village hope that their beautiful homeland can be turned truly organic and they can hear the pleasant chirping birds and see glowing fireflies that they remember again. They say that they want to use their hands to make the land healthy, the eaters healthy, and themselves healthy. It is plain language yet it depicts the love they have towards the land and the people.

Farmers in the village apply the old pure way in growing crops. They insist that only non-toxic, pesticide-free, and chemical fertilizer-free organic agricultural practices may be adopted and spontaneously formed the Xingjian Organic Produce Cooperative where they promote 100% local organic food ingredients of Taiwan through joint marketing. TPEX approves the beliefs of residents in Xingjian Village and hence has been purchasing organic rice produced from Xingjian Village, Sanxing Township, Yilan County, and giving it as a gift to help disadvantaged families through social welfare organizations. Starting in 2017, TPEX gathered its employees and their families on a yearly basis to visit Xingjian Village. They rolled up their pants and got in the field to experience the life of a farmer and have a better understanding of local agricultural villages transforming to organic agriculture and ecology conservation through guided tours provided by local farmers.



Feedback from TPEX colleagues :

I highly approve of what TPEX has done, that is, sponsoring organic rice, protecting organic cultivation, and protecting the environment through contract farming and giving the harvested rice away to social welfare organizations to help disadvantaged people. It is very meaningful. This year, I had my whole family come along and take part in the One Day Farmer Campaign. Through the guided tour with an introduction provided by the Cooperative, we had a further understanding of the agricultural village transformation and ecology conservation, and after having actually gotten in the field to transplant rice seedlings, we were all respectful of the hard work of farmers and hope that we can pass down this respect and thankfulness towards what we have to our next generation.



4-1 | EMPLOYEE CARE

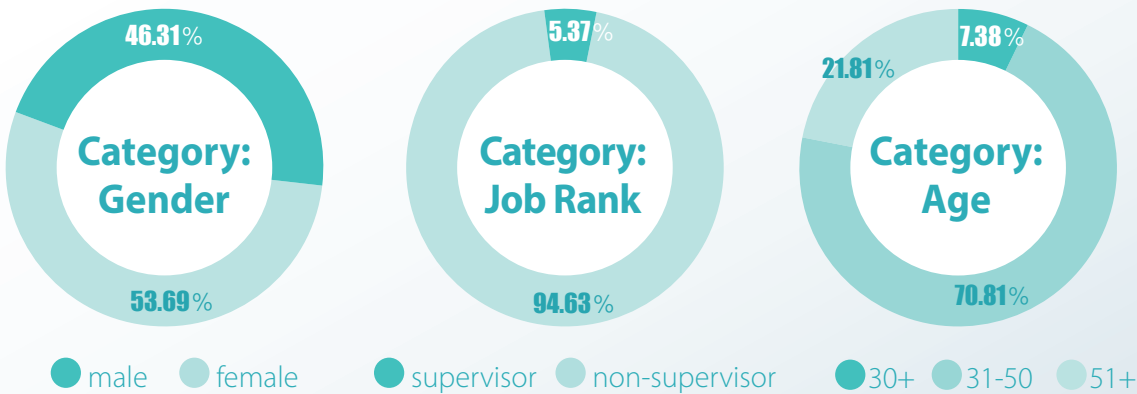
4-1-1 Talent Management and Retention

TPEX's People-oriented Belief

Employees are important assets of TPEX. They develop new products, keep respective trading systems going, supervise the market, promote fund-raising among enterprises, and vitalize investments on the securities market. Being people-centered, TPEX balances financial status, personal development, and physical and mental health management of its employees. Competent employees are recruited, outstanding talent is developed, and a harmonious employer-employee relationship is maintained to build a quality workplace. Related policies such as staff diversification and workplace equity are proactively enforced to secure high-quality human resources and to enable all employees to make the best of their talent at TPEX. These are all core and key elements to the competitive advantages of TPEX.

Diversified Employee Structure

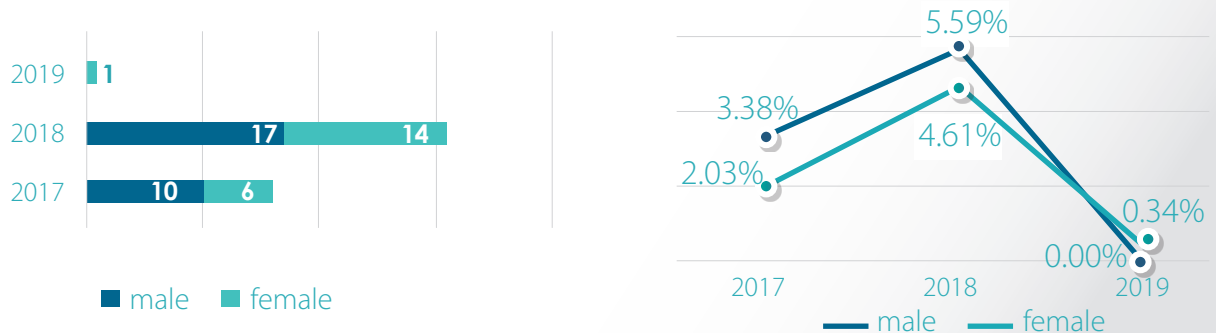
At the end of 2019, TPEX had a total of 298 full-time employees, a reduction of 6 people from the end of 2018. All of them (including the high-ranking management) 100% were local people of Taiwan. In terms of manpower composition, statistics by gender, ranking, and age are provided below, showing the diversity in the backgrounds of employees and workplace equity.



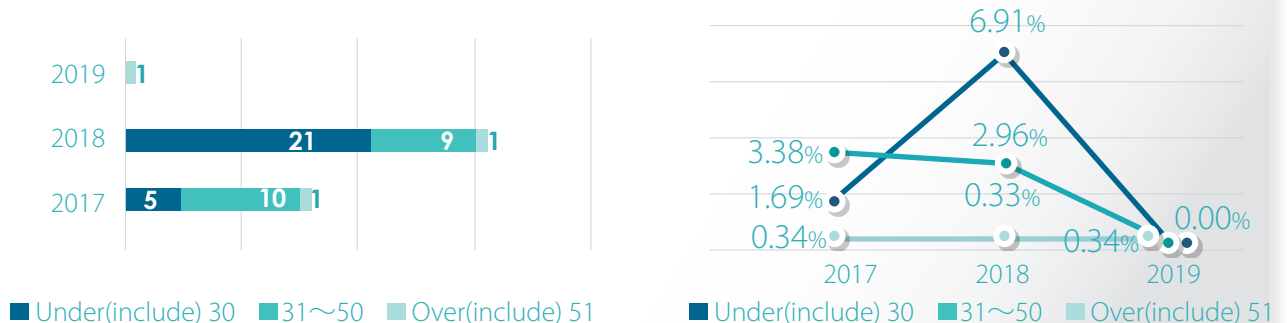
In addition, TPEX treats disabled people equally in terms of recruitment, hiring, training, incentives, and promotion. At the end of 2019, it had 8 disabled employees and the ratio has been increased each year to be higher than that specified in the People with Disabilities Rights Protection Act. It is proactively enforcing the principle of employment equality.

With regard to the talent recruitment system, TPEX has adopted a fixed quota system, a recruitment examination is held publicly when there are position openings. For existing employees, it constructs a happy and assuring workplace with sound welfare, care, and educational training to retain the talent so that employees may work reasonably healthily. Historical statistics of employees that were hired and left TPEX are as follows.

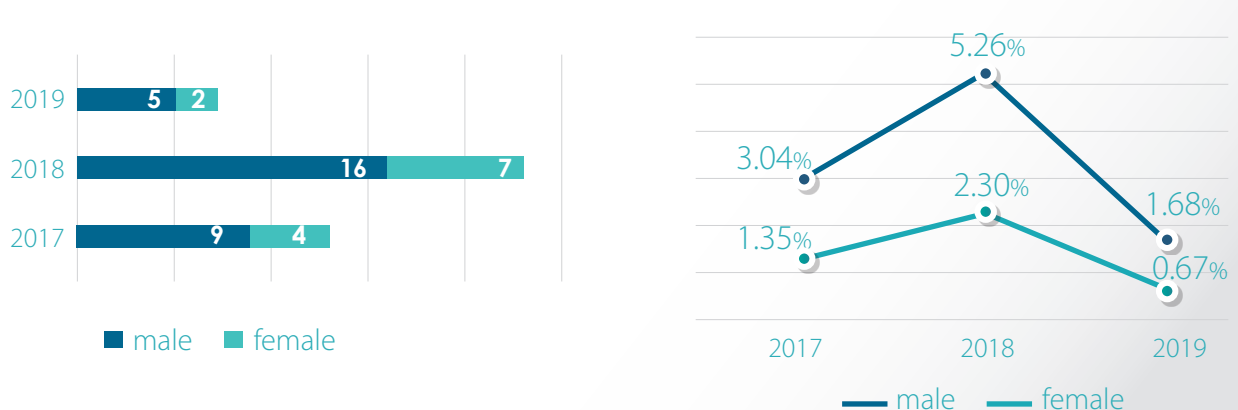
Number and rate of new employees hires-by gender



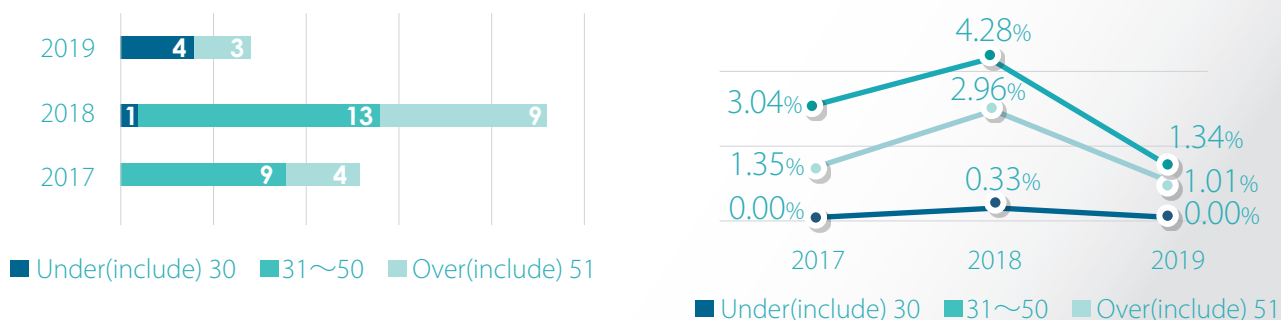
Number and rate of new employees hires-by age



Number and rate of employee turnover-by gender



Number and rate of employee turnover-by age



Nurturing Employee Growth

TPEX values talent as its assets and encourages its people to pursue continuing education, which is the essence of sustainability. Each year, pluralistic annual educational training programs are prepared to meet the talent development demands of the specific year. The 2019 Educational Training Program was planned with three major domains, professional training, international language proficiency, and general knowledge, and aimed to improve the professionalism of the manpower, inspire employees' capabilities and creativity at work, and facilitate the internationalization of TPEX.

Throughout 2019, **NTD 950,000** was devoted in educational training, with a total of **77 sessions** and **177 class hours**.





Statistics of educational training hours for employees in 2019

	Supervisor		Non-supervisor		Total
	Male	Female	Male	Female	
Hours of education and training completed	110	155	4,749	5,623	10,637
Number of employees	7	9	131	151	298
Mean number of hours of training completed by each employee	15.71	17.22	36.25	37.24	35.69

In order to enhance manpower quality and to strengthen the utilization efficacy of manpower, the number of hours of training completed by employees of TPEX has been growing for the past three years and how many credits each employee needs to acquire each year is defined. For the management at TPEX, there are also the administration courses planned in order to enhance the organizational efficiency.

Statistics of educational training hours for employees over the past three years

	2019	2018	2017
Hours of education and training completed	10,637	10,610	8,947
Number of employees	298	304	296
Mean number of hours of training completed by each employee	35.69	34.90	30.23

Besides internal training, there are workshops or training programs organized by domestic and international institutions attended or observed by selected employees in order to strengthen core and cross-disciplinary professionalism. To encourage employees to continue advancing their professional skills, the tuition of studying master or higher degree while working is subsidized, and for those having obtained professional certification as a lawyer, CPA, or CIA while working, an exceptional salary raise is available.

In order to vitalize organizational functionality and to enable employees to make the best use of their talent, TPEX has established the Job Rotation Operating Guidelines and interdepartmental job rotations are periodically arranged depending on the expertise, knowledge-level, and personal preference of respective employees. In addition, annual review of employees who are officially employed for at least 6 months are 100% completed, and employees who providing revolutionary suggestions, engaging in product or business research, undertaking projects or events, and other special outstanding deeds with significant accomplishments or substantial contributions are adequately rewarded. TPEX continues to develop its employees into topnotch talent through a sound career development mechanism.

4-1-2 Welfare and Care

Compensation and Benefits

TPEX offers steady salaries and has created a well-off benefit system and a quality workplace. Employees are treated fairly for a salary raise and promotions. Those of the same level of position receive the same salary. Salaries do not vary with gender. Same pay for same work is precisely enforced in order to maintain a long-term optimal employee relationship and to improve the satisfaction of employees at work, building a happy enterprise.



Statistics of compensation over the past three years

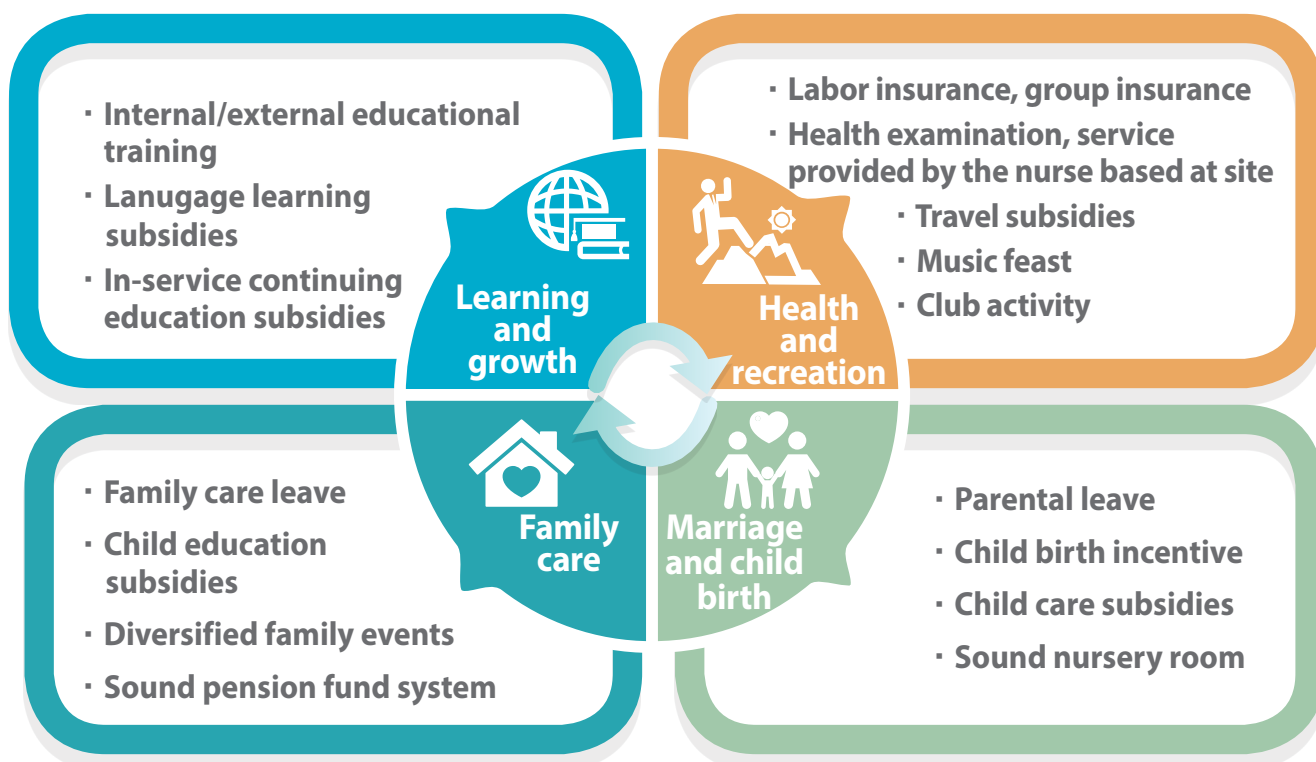
Year	Position	Male	Female
2017	Supervisor	0.94	1.00
	Non-supervisor	1.17	1.00
2018	Supervisor	0.93	1.00
	Non-supervisor	1.14	1.00
2019	Supervisor	0.96	1.00
	Non-supervisor	1.15	1.00

Note: Converted proportionally with the compensation for female employees as 1 unit.

TPEX is devoted to building a healthy, happy, harmonious, and balanced workplace and looks at the physical and mental health of its people as wealth. No employees engage themselves in duties that pose a high level of risk for their health and safety or with a high incidence of a specific disease. Meanwhile, employees receive subsidies for completing annual physical checkups to keep themselves healthy. There are also various types of pressure relief and health preservation, and health conducive programs from time to time, and a fitness room and multiple sporting equipment to encourage the staff to stay in healthy shape. In addition, TPEX provides a diversified benefits system and sound protection for different stages in the life journey so that each employee, besides working hard, can have his/her health and family properly taken care of.

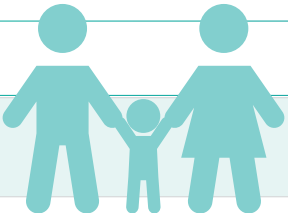
Parental Leave

All full-time employees of TPEX are entitled to parental leave by law. Women account for 54% of TPEX staff and most of them are of childbearing age. In order for them to strike a balance between work and family, TPEX provides thoughtful benefits that cover pregnancy, child birth, breastfeeding, and child care. In light of the fact that women might feel discomfort during pregnancy, there are tocolysis and prenatal checkups. For the birth of a child, there is a child birth incentive, maternity



leave, and paternity leave. After a child is born, there is child care leave. If the mother returns to work, the office is equipped with a quality nursery room and a sterilization pot. There is family care leave and flexible working hours, too, so that they can take care of work and family at the same time. In addition, children of the employees of TPEX are entitled to tuition subsidies while schooling.

In both 2019 and 2018, employees of TPEX have applied for parental leave and their resumption rates were consistently above 70%. The retention rate one year after resumption was up to 100%. The high resumption rate and high retention rate are proof that TPEX protects its people's right of work and cares for its people and their families.

 Parental leave statistics						
	2017		2018		2019	
	Female	Male	Female	Male	Female	Male
Total number of employees having applied for parental leave that year	10		8		4	
Total number of employees expected to be reinstated that year (B)	7	-	6	-	4	-
Number of actually reinstated employees that year (C)	6	-	5	-	3	-
Resumption rate (C/B)	86%	NA	83%	NA	75%	NA
Number of employees reinstated from parental leave since the previous year (D)	4	-	6	-	5	-
Number of employees remaining 12 months after reinstatement following parental leave since the previous year (E)	4	-	6	-	5	-
Retention rate (E/D)	100%	NA	100%	NA	100%	NA



Company trip at Lanyang Museum



2019 TPEX family sports meet

Diversified Employee Activities

To balance the physical and mental development of its people and enable them to take care of work and family life, TPEX holds various artistic and cultural, recreational, and family events from time to time and encourages its employees to organize or take part in clubs that deal with legitimate recreation and entertainment, and adequately subsidizes club events. TPEX continued to organize family sports meet in 2019. Besides basketball, badminton, and table tennis, there were fun contests for employees and their families to join, such as the pillow fight, golf experience zone and little story house. The YOYO family, the children's favorite, was invited to sing and dance with children. The events are meant to hold employees and their families together, deepen the bonds among family members of the employees, and demonstrate the passion and vitality of the great TPEX family. In addition, in order to have the employees get out of the office, enjoy outdoor activities, and respond to the government's policy to boost domestic tourism, the Summer Environmental Education Tour and the Fall/Winter Environmental Ecology Education were held in summer and fall/winter of 2019. The employees and their families went to the 2019 Yilan Green Expo and International Children's Folklore and Folkgame Festival, the Leofoo Village Theme park, Sun Moon Lake, Alishan Mountain, and Kenting so that they could broaden their horizons and boost family relationships. To release stress at work and to enrich cultural and creative attainments of employees, static arts and cultural events such as movie watching, the annual play "See You Again Beitou" PLUS the Musical of Greenray Theatre Company, and Royal Concertgebouw Orchestra Performance, were planned, too. Employees and their families were invited to enjoy the show.

TPEX is known for its various employee activity clubs. There are 15 of them now. By their nature, they can be divided into four major categories, namely, sports, leisure and recreation, arts and culture, and religion. The various club activities can help staying physically and mentally healthy and also enhance the sense of belongingness. The members often form teams to take part in sports events representing TPEX, too. Their accomplishments in contests organized by peripheral organizations in 2019 were impressive: The Tai Chi Club won the championship as a group in the repertoire division and got second place in the weapons division. The Badminton Club got fourth place in mixed doubles and fourth place as a group, and the Yoga Club got third place as a group.

Voices of Employees

TPEX is happy to hear what the employees have to say. There are the Chairman's and CEO's Mailboxes, and the labor-management meetings are held on a quarterly basis. There are representatives from each department. If employees have revolutionary ideas about the internal system and benefits, they can bring them forth through the labor-management meeting. TPEX coordinates labor-management relations, promotes labor-management collaboration, and enhances work efficiency through smooth communication channels. No major labor-management issues occurred in 2019.

4-2 | FINANCIAL LITERACY

In order to facilitate the knowledge of general investors about novel financial instruments and services and educate investors about their legal interests, thereby reducing disputes on financial consumption, preventing financial crimes, and protecting the rights of investors/consumers, TPEX has carried out various promotional events for financial literacy with the support of the competent authority.

Besides related promotional events, TPEX took part in big exhibitions, such as 2019 Bio Asia and FinTech Taipei 2019, to boost understanding of the capital market by the general public. Moreover, it organized a series of financial education camps for college students to promote investment and asset management among the young generation, and accordingly build financial expertise base for the capital market in the new era.

TPEX, for the first time, responded the World Investor Week 2019 (WIW) initiated by IOSCO and WFE and held a special Financial Literacy Gong Ceremony on October 5. TPEX joined other stock exchanges around the world in the “Ring the bell” initiative, using its Gong Ceremony to further draw attention to the importance of financial literacy, investor education and protection. Even meaningfully, it combined the Ceremony with the event of Elite Incubator Camp for college students, marking the support of TPEX for investor education and investor awareness.

Picture above / TPEX Sounds Gong for financial literacy, supporting World Investor Week 2019 with WFE

Picture below / “Elite Incubator Camp for college students in securities market” lectured by Deputy Director-General of Securities and Futures Bureau, Li-Ling Tsai



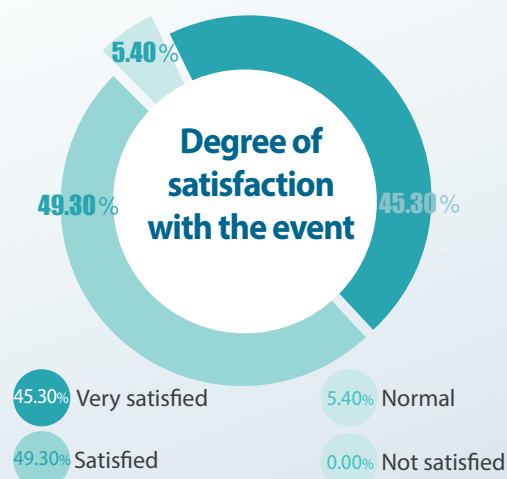
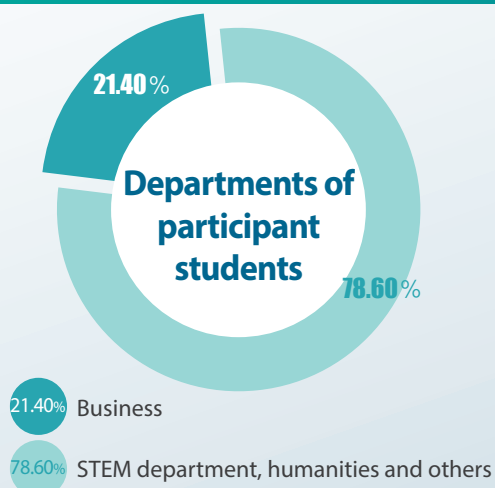
Taking Roots on Campus

TPEX also constantly receives delegations from schools or colleges and takes the opportunities to introduce TPEX. In 2019, TPEX received delegations of faculty and students from the Business Administration Graduate Institute and Department of National Taiwan Normal University, the Department of International Business of Soochow University, and the International Class of the Business Administration Graduate Institute of Ming Chuan University. For each visit group, TPEX had senior staff of different business function give the presentations to the visitors and open to Q&A sessions to improve the students' understanding of featured products and services that TPEX provides.

Starting in 2008, TPEX has been cultivated financial industry roots in campuses by organizing series of education camps, named “Elite Incubator Camp for College Students in Securities Market” for college students every year. The tour camps around Taiwan provides useful and diversified courses and has benefits thousands of college students in the country.. During 2019, a total of 5 camps were organized at different university campuses from the northern, central, southern to eastern part of Taiwan (2 in Taipei, 1 in Taichung, 1 in Kaohsiung and 1 in Hualien). The camps were very popular and participated in by the students of varied majors, including finance, business, engineering, and literature, indicating that the courses were designed not only for business school students but the multidisciplinary purpose. The courses covered topics such as the introduction of the capital market in Taiwan, introduction of innovative services of TPEX, and current investment trend, which were conducted through keynote speeches and lectures. One of the most interesting sessions of the camps is the group contest on portfolios related to TPEX products – called “Find the Next Warren Buffett” to facilitate team work, group discussion and group presentation.

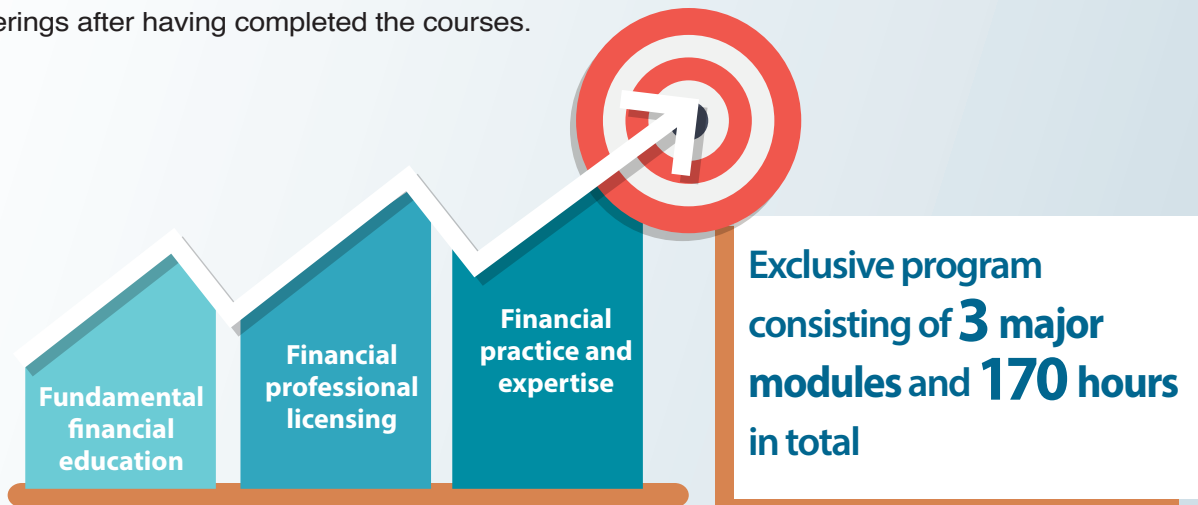


Questionnaire results of Elite Incubator Camp for college students in securities market



Flipped Classroom

In answering the competent authority's efforts to help improve financial expertise among college students from financially disadvantaged families, TPEx works with peripheral financial securities units by organizing public interest-oriented education that helps drive financial talent education. The Financial Education Charity Courses for College Students began in 2015 is a good example. This program aims to popularize financial education among disadvantaged college or university students, thereby helping them get better job opportunities after graduation otherwise they would devote too much time into part-time work for tuitions. It also helps the students gain knowledge and skills with which they can make a living and accordingly improve their family's financial condition and turn their life around. The classes were made available year by year at multiple universities and colleges in Taiwan. In 2019, numerous students had received assistance in obtaining financial profession licenses and some were successfully matched with suitable job offerings after having completed the courses.



Diversified Educational Channels

The official TPEx website contains "TPEx Events" and "Media Gallery" sections where the relevant policies and business highlights are communicated. For example, in order to remind investors of useful access to market information, TPEx has produced promotional videos titled as "How Can Investors Take Advantage of the MOPS", "How to Flexibly Utilize the Industry Chain Information Platform/ Utilizing Good Tools", and "TPEx 200 Index, the Best Investment Indicator of Small-to-Medium Cap" etc. Moreover, some micro-films were published for continuous trading mechanism to vividly introduce the new trading system to the investors. TPEx Facebook Page is available as a way to interact with the public. TPEx are endeavored to provide diversified interaction channels and entertaining as well as informative tools for the main street investors.



TPEx's Media Gallery



4-3 | CARE FOR SOCIETY

As a non-profit organization supervised by the FSC, TPEX is happy to constantly share resources nationwide for win-win of the capital market and social development. The TPEX charter stipulates that a certain ratio of after-tax earnings from the previous year should be allocated to public welfares and charity events. TPEX has set up CSR group chaired by the Deputy CEO to make decisions on the donations and oversee the implementation subject to the Welfare Donations Management Guidelines. TPEX not only proactively fulfills social responsibilities of itself, but also encourages its employees to volunteer in charity activities and calls upon companies of TPEX family to give cash donation or in-kind supports to the society.

In order to care for far-ranging, different groups in Taiwan, charity donations are divided into the “elderly, disadvantaged groups, and environments”, “children and teenagers”, “sports and cultural events”, and “medical care”, and are promoted accordingly.

The Elderly, the Disadvantaged, and the Environment

Taiwan is now an aged society. One of the impacts is the number of dementia patients rising on a yearly basis. To care for the elderly, TPEX donated to the Dementia Home Fund-raising Program of Mennonite Christian Hospital in the eastern part of Taiwan in 2019. In addition, TPEX sent love to the Taiwan Catholic Foundation of Alzheimer's Disease and Related Dementia, the LAUWULAU Home for the Elderly, the Taitung Family Caregiver Care Association, and the Greater Tainan Zeelandia Dementia Association, among other social welfare institutions for the elderly, to treat elderly as its own.

TPEX, believing in “Get from Society and Give back to Society”, is helping more disadvantaged groups that need help in society and has been supporting the 1919 Food Bank without stop since 2013. In 2019, it mobilized the TPEX family and raised more than NTD 1.23 million, 16,450 kilograms of rice, and hearty resources from up to 21 companies on the Main board and the emerging stock board, as well as from TPEX and its people, and donated them to the 1919 Food Bank to help financially disadvantaged families that are urgently in need of help. In addition, donations reached out to the Maria Social Welfare Foundation's Ultra-severe and Multiple Disorder Service Building expansion project, the Children Are Us Foundation, the Down Syndrome Foundation, and the Taiwan Foundation for Rare Disorders, among others.



Mrs. Zhi-Cheng Zhang, the representative who accepted the donations for the 1919 Food Bank, shared his experience in helping with the 1919 Food Bank. He just got out of jail and could not work because of a traffic accident. He ended his life as a homeless person because the service center helped him return home to apologize to his father that he had not seen for up to 30 years and apply for the 1919 Emergency Aid and Food Package so that he could begin a basically steady life. Now he is able to take care of his father who is over 80 years old and is also receiving catering training. He works for the service center as a volunteer, too, where he is helping prepare snacks and distribute food packages. Once devastated, he was unable to even say his own name, Zhi-Cheng can now say “Thank 1919 Food Bank and the volunteers for giving me strength to stand up again. I am no longer afraid of others knowing my name. I can shout out loud that my name is Zhi-Cheng Zhang!”



Donation ceremony for the 1919 Food Bank

Treating Others' Children Like One's Own

TPEX cares about disadvantaged youths. In order to shorten urban-rural differences and to provide students in outlying areas with sound educational resources, TPEX continued to devote itself to educational care events in 2019 by sponsoring family care centers in north Tainan, Chiayi, Hsinchu, Miaoli, Nantou, Changhua, and Yunlin through the Help Students Realize Dreams project, the Edison Adventure Charitable Learning Event of the National Taiwan Science Education Center, the Companionship in Life Program for the children in Taitung, and donating to the Tiencheng Children's Home in Taoyuan City to help disadvantaged children and teenagers improve their deprived educational resources and improve their learning ability and opportunities.

Zero Distance between Strength and Beauty

TPEX continues to promote related sporting and arts/cultural events so that the society in Taiwan may have pluralistic developments and demonstrate its strength and beauty in all domains besides the booming capital market.



TPEX sponsored the “Dreams Come True Project” of the National Theatre and Concert Hall



TPEX sponsored a charity show by Paper Windmill Theater at Miaoli

Baseball is the national sport of Taiwan and represents teamwork and the never-give-up essence of the local people. TPEX cares about baseball teams in outlying areas and hence donated to the team of Datong Elementary School in Yilan County that is only 3 years old since it was initially formed. The team played up to the semi-finals in the Caring Cup and eventually got third place. The little team members said that “playing baseball is a lot of fun. Bang!Bang! Bang! It sounds great.” TPEX also has donated to the baseball team of Ruifang Junior High School in New Taipei City and the Chinese Taipei Football Association.

Arts is free of boundary. In order for non-metropolitan children to be able to appreciate arts performances, TPEX sponsored the “Dreams Come True Project” of the National Theatre and Concert Hall to invite young students in outlying areas visit the National Theatre and the National Concert Hall to appreciate the beauty of arts and culture, and the Paper Windmill’s 368-Township Children Arts Projects so that the children in outlying areas can also enjoy the visual aesthetic feast. It also contributed to the Arts Education Sponsorship for Middle Schools Project of the Department of Teacher and Art Education under the Ministry of Education, as well as the Global Central Charity Reading Project of the Central New Agency in 2019.



TPEX donated a minivan to Kaohsiung Cishan Hospital

Medical Care in Outlying Areas

In order to support the government in the promotion of Long-term Care 2.0 and to enrich medical resources in outlying areas, TPEX continues to help areas in eastern and southern parts of Taiwan where medical resources are relatively insufficient, such as vehicles for the disabled of Kaohsiung Qishan Hospital, reconstruction of the Christian Hospital in Hengchun, and the medical care service van for outlying areas of Mackay Memorial Hospital in 2019.

Support for Social Enterprises

TPEX got second place in the Buying Power Award organized by the Small and Medium Enterprise Administration under the Ministry of Economic Affairs in 2019. The winners were mostly distributors, catering businesses, financial holding companies, automobile companies, and manufacturers. TPEX was the only financial securities peripheral unit. This award represents the government's effort in promoting innovative developments in society. Through the incentive, mainstream enterprises are encouraged to and matched up with innovative organizations in society that carry social missions and are devoted to solving problems in society through products or services and help them explore marketing channels to boost their operational momentum and eventually drive the whole society to grow positively. By maximizing buying power, TPEX believes the substantial support for social enterprises is meaningful.

**The only winner
among financial
and securities
periphery**



TPEX is the only financial institution winning Buying Power Award in support of the social enterprises