

Independent Auditors' Limited Assurance Report for the Report of 2023



勤業眾信

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INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT

Taipei Exchange

We have undertaken a limited assurance engagement on the selected performance indicators in the Sustainability Report ("the Report") of Taipei Exchange ("TPEX") for the year ended December 31, 2023.

Subject Matter Information and Applicable Criteria

See Appendix 1 for TPEX's selected performance indicators ("the Subject Matter Information") and applicable criteria.

Responsibilities of Management

The management of TPEX is responsible for the preparation of the Subject Matter Information in accordance with Universal Standards, Sector Standards and Topic Standards published by the Global Reporting Initiative (GRI), and for such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that are free from material misstatement resulted from fraud or error.

Auditors' Responsibilities

Our responsibility is to plan and conduct our limited assurance engagement in accordance with Standard on Assurance Engagement 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation of the Republic of China to issue a limited assurance report on whether the Subject Matter Information (see Appendix 1) is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, therefore, a lower assurance level is obtained than a reasonable assurance.

We based on our professional judgment in the planning and conducting of our work to obtain evidence supporting the limited assurance. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed include, but not limited to:

- Inquiring of management and the personnel responsible for the Subject Matter Information to obtain an understanding of the policies, procedures, internal control, and information system relevant to the Subject Matter Information to identify areas where a material misstatement of the Subject Matter Information is likely to arise.
- Selecting sample items from the Subject Matter Information and performing procedures such as inspection, re-calculation, re-performance, observation, and analytical procedures to obtain evidence supporting limited assurance.

Inherent Limitations

The Subject Matter Information involved non-financial information, which was subject to more inherent limitations than financial information. The information may involve significant judgment, assumptions and interpretations by the management, and the different stakeholders may have different interpretations of such information.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information is not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the Subject Matter Information or the applicable criteria after the issuance date of this report.

The engagement partner on the limited assurance report is Yin-Chou Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 31, 2024

Notice to Readers

For the convenience of readers, the independent auditors' limited assurance report and the accompanying summary of subject matter information 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' limited assurance report and summary of subject matter information shall prevail.

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APPENDIX

SUMMARY OF SUBJECT MATTER INFORMATION

#	Subject Matter Information	Corresponding Section	Applicable Criteria																																		
1.	100% proportion of spending on local suppliers for TPEx in 2023.	2.2.4. Supplier Management	GRI 204-1: 2016 Proportion of spending on local suppliers																																		
2.	All full-time employees are entitled to parental leave as mandated by law.	4.2.2. Compensation and Welfare Support	GRI 401-3: 2016 Parental leave																																		
	<table border="1"> <thead> <tr> <th>Item</th> <th>Female</th> <th>Male</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Number of employees on parental leave in 2023</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <td>Number of employees expected to return after parental leave in 2023 (A)</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <td>Number of employees actually returning after parental leave in 2023 (B)</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <td>Number of employees returning after parental leave in 2022 (C)</td> <td>2</td> <td>0</td> <td>2</td> </tr> <tr> <td>Number of employees returning after parental leave in 2022 and remained employed for 12 months after return (D)</td> <td>2</td> <td>0</td> <td>2</td> </tr> <tr> <td>Return-to-work rate % = B/A</td> <td>100%</td> <td>NA</td> <td>100%</td> </tr> <tr> <td>Retention rate % = D/C</td> <td>100%</td> <td>NA</td> <td>100%</td> </tr> </tbody> </table>	Item	Female	Male	Total	Number of employees on parental leave in 2023	1	0	1	Number of employees expected to return after parental leave in 2023 (A)	1	0	1	Number of employees actually returning after parental leave in 2023 (B)	1	0	1	Number of employees returning after parental leave in 2022 (C)	2	0	2	Number of employees returning after parental leave in 2022 and remained employed for 12 months after return (D)	2	0	2	Return-to-work rate % = B/A	100%	NA	100%	Retention rate % = D/C	100%	NA	100%				
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3.	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Management</th> <th colspan="2">Non-Management</th> <th rowspan="2">Total</th> </tr> <tr> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Internal Training Hours</td> <td>690</td> <td>216</td> <td>4,593</td> <td>7,116</td> <td>12,615</td> </tr> <tr> <td>External Training Hours</td> <td>256.5</td> <td>88</td> <td>2,594</td> <td>3,506</td> <td>6,445</td> </tr> <tr> <td>Number of Employees</td> <td>12</td> <td>5</td> <td>121</td> <td>165</td> <td>303</td> </tr> <tr> <td>Average Training Hours per Employee</td> <td>78.88</td> <td>60.80</td> <td>59.40</td> <td>64.38</td> <td>62.90</td> </tr> </tbody> </table>		Management		Non-Management		Total	Male	Female	Male	Female	Internal Training Hours	690	216	4,593	7,116	12,615	External Training Hours	256.5	88	2,594	3,506	6,445	Number of Employees	12	5	121	165	303	Average Training Hours per Employee	78.88	60.80	59.40	64.38	62.90	4.2.3 Talent Development	GRI 404-1: 2016 Average hours of training per year per employee
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4.	As of December 31, 2023, the proportion of Main Board and Emerging Stock Market companies can use the electronic document exchange system reached 92.40%.	3.2.2 Resource Management	Specifically designed indicator 1: Percentage of using electronic document exchange system in 2023. Number of proportions of Main Board and Emerging Stock Market companies can use the electronic document exchange system/number of Main Board and Emerging Stock Market companies.																																		
5.	In 2023, a total of 47 Sustainable Bonds were issued, with an issue amount of NT\$147.89 billion.	SDGs Practice	Specifically designed indicator 2: The total number and issuance amount of sustainable bonds in 2023																																		
6.	<ul style="list-style-type: none"> From October 2 to 31, 2023, "the courses of Regulations and Business Practices for Main Board/Emerging Stock Market companies" was held, focusing on six themes, namely the new revision regulations of major information and the explanation of information reporting practice, the reminder of key information declaration, the important topics of internal control, the notice of carbon-related inspections for middle and small-sized enterprises, from good to excellent: improving corporate ESG score - Taiwan Sustainability Ratings System as an example, and the TPEx sustainability index methodology and rating index analysis. Held a total of 4 sessions of promotional seminars on information reporting of Emerging Stock Market companies. 	1.2.5 Protection of Rights and Interests of Investors Material Issues Management	Specifically designed indicator 3: Number of seminars for Main Board and Emerging Stock Market																																		



Independent Auditors' Limited Assurance Report for Greenhouse Gases Inventory of 2023

Deloitte.

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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

Taipei Exchange

We have undertaken a limited assurance engagement of the accompanying greenhouse gas (GHG) statement of Taipei Exchange for the year ended December 31, 2023 (see Appendix 1).

Taipei Exchange's Responsibility for the GHG Statement

Taipei Exchange is responsible for the preparation of the GHG statement in accordance with ISO 14064-1:2018 ("Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals") issued by the International Organization for Standardization (ISO). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a GHG statement that is free from material misstatement, whether due to fraud or error.

As discussed in Note 6 to the GHG statement, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The data and the method used in making the estimate may also result in estimation uncertainty. Different measurement techniques may generate significantly different outcomes and thus lead to the GHG statement subject to estimation uncertainty.

Independence and Quality Control

We have complied with the independence and other ethical requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Standard on Quality Management 1 "Quality Management for Public Accounting Firms" issued by the Accounting Research and Development Foundation of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express a limited assurance conclusion on the GHG statement based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ("TWSAE 3410"), issued by the Accounting Research and Development Foundation of the Republic of China. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the GHG statement is free from material misstatement.

A limited assurance engagement undertaken in accordance with TWSAE 3410 involves assessing the suitability in the circumstances of Taipei Exchange's use of ISO 14064-1:2018 as the basis for the preparation of the GHG statement, assessing the risks of material misstatement of the GHG statement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG statement. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

1. Through inquiries, obtained an understanding of Taipei Exchange's control environment and information systems relevant to emissions quantification and reporting, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
2. Evaluated whether Taipei Exchange's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Taipei Exchange's estimates.
3. Undertook site visits at three sites to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites. The sites selected for testing were chosen taking into consideration their emissions in relation to total emissions, the nature of emissions sources, and sites selected in prior periods. Our procedures we performed did not include testing information systems to collect and aggregate facility data, or the controls at these sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Taipei Exchange's GHG statement has been prepared, in all material respects, in accordance with the ISO 14064-1:2018.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Taipei Exchange's GHG statement for the year ended December 31, 2023 is not prepared, in all material respects, in accordance with the ISO 14064-1:2018 ("Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals") issued by the International Organization for Standardization (ISO).

Independent Auditors' Limited Assurance Report for Greenhouse Gases Inventory of 2023

Other Matters

We shall not be responsible for conducting any further assurance work for any change of the subject matter information or the criteria applied after the issuance date of this report.

The engagement partner on the limited assurance report is Yin-Chou Chen.

Yin Chou Chen

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 31, 2024

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