



證券櫃檯買賣中心
Taipei Exchange

2024 SUSTAINABILITY REPORT



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ABOUT THE REPORT

This is the 2024 Sustainability Report (hereinafter referred as the “Report”) of Taipei Exchange (hereinafter as “TPEX”). TPEX, adhering to the principle of integrity and transparency, aims to present its communications with stakeholders, involvement in various sustainability issues, and practice of the sustainability philosophy throughout 2024 in this Report.

Scope of Disclosure

The disclosure period of this Report covers the year 2024 (January 1 to December 31). The Report covers the performance of TPEX in the economic, social, and environmental aspects. Considering the information comparability, certain performance information includes data from the past three years, except for some that have not been collected systematically.

The disclosure scope of data and performance information in this Report covers the TPEX Guting Office (Headquarters) in Taipei City, Taipower Backup Office in Taipei City, Banqiao Office in New Taipei City, Banqiao server room in New Taipei City, remote backup server room in Taichung City. For data covering different scopes, clarifications are provided in the relevant texts or notes.

Reporting Basis

This Report has been prepared and disclosed in accordance with the following standards:

1. The GRI Sustainability Reporting Standards (GRI Standards) 2021, published by the Global Reporting Initiative (GRI).
2. The industry standards for Security & Commodity Exchanges within the Financials sector, as issued by the Sustainability Accounting Standards Board (SASB).

Information Disclosure

The financial performance data disclosed in this Report are based on the CPA-audited financial statements, with all monetary amounts presented in New Taiwan Dollars (NT\$). Other data disclosed in the Report were compiled and calculated internally by TPEX using commonly accepted numerical representation methods, following the principle of rounding.

All data and information disclosed in the Report were collected and provided by the responsible departments, reviewed and confirmed by the respective department heads, and published after being reported to the TPEX Board of Directors.

Report Assurance

This Report is prepared in accordance with the Universal Standards and Topic Standards issued by the Global Reporting Initiative (GRI). TPEX engaged PricewaterhouseCoopers Taiwan (PwC Taiwan) to conduct limited assurance on selected performance indicators, in accordance with the Taiwan Standard on Assurance Engagements No. 3000 (TWSAE 3000), “Assurance Engagements Other than Audits or Reviews of Historical Financial Information”, as issued by the Accounting Research and Development Foundation.

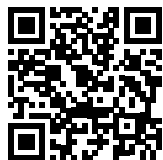
In addition, TPEX completed the greenhouse gas inventory and established management procedures in accordance with ISO 14064-1:2018, and commissioned the British Standards Institution (BSI) to perform the greenhouse gas assurance. The Independent Limited Assurance Report and the Verification Opinion Statement of Greenhouse Gas Emissions are provided in the appendix of this Report.

Information Quality

Information Category	Compliance Standard	Verification/Assurance Organization
Financial Data	Annual Financial Report	Deloitte Taiwan
Sustainable Information	TWSAE3000	PwC Taiwan
Environmental Information	ISO 14064-1:2018 Greenhouse Gas Inventory	British Standards Institution (BSI)
	ISO 14068-1: 2023 Carbon Neutrality Standard	British Standards Institution (BSI)
Social and Governance Information	ISO 9001 Quality Management System	British Standards Institution (BSI)
	ISO 27001 Information Security Management System	British Standards Institution (BSI)
	ISO 20000-1 Information Service Management System	British Standards Institution (BSI)
	ISO 22301 Business Continuity Management System	British Standards Institution (BSI)
	BS 10012 Personal Information Management System	British Standards Institution (BSI)

Report Issuance

Since the publication of the 2018 Corporate Social Responsibility Report in 2019, TPEX has published CSR Reports annually (renamed as Sustainability Reports starting from the 2020 edition). The previous Sustainability Report in Chinese was issued in June 2024. All annual Sustainability Reports are available on TPEX's official website and the ESG section:



Official Website

<https://www.tpex.org.tw/en-us/index.html>



ESG Section

<https://www.tpex.org.tw/en-us/about/csr/index.html?l=zh-tw>

Contact Us

If you have any questions about this Report or any suggestions for TPEX, please contact us through the following methods:

Strategy & International Relations Department, TPEX

Phone : (02)2369-9555

Email : server@tpex.org.tw

Website : www.tpex.org.tw

MESSAGE FROM THE CHAIRMAN

An active practitioner of sustainable development, TPEX has been dedicated to supporting the growth of small and medium-sized enterprises (SMEs), and in recent years also draws attention to and promote implementation of Environmental, Social and Governance (ESG) among TPEX-listed companies, in response to the globally rising awareness of net zero and reduced carbon emissions. In the meantime, through a diversity of products, TPEX provides the local governments and companies more adequate financing channels, while arousing investors' awareness of responsible investment. These resonate with the Sustainable Development Goals (SDGs) of the United Nations and accelerate market participants' advancement toward sustainable development.

On the front of supporting companies' sustainable development, TPEX continues to encourage and counsel companies on the compilation of sustainability reports, and urges listed companies to enhance disclosure of risks and opportunities associated with climate change as well as corresponding countermeasures in their reports. The latter is performed by following international standards such as those from the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB). An ESG digital platform is built to help companies enhance efficiency in their sustainability information disclosure. TPEX also continues to optimize the dedicated webpage for IFRS Sustainability Disclosure Standards (<https://isd.tpex.org.tw>) by expanding the scope of customized services, and by providing updated regulations, practical guidance and promotional resources, all aiming at assisting companies in their alignment with the international standards. In response to the competent authority's policies such as to turn Taiwan into the Asian Asset Management Center, and the Green and Transition Finance Action Plan, TPEX continues to strengthen sustainability information disclosure and information transparency. By measures such as establishing

the Green Securities Certification System, and transitioning corporate governance evaluations into ESG evaluations, a culture of sustainability governance is instilled into companies. Workshops and short videos are also made available to support companies in conducting their carbon emission inventory, leading them towards the goal of net zero emissions.

In terms of promoting green finance and developing ESG-related products, TPEX continues to deepen the development of sustainable finance in Taiwan and expand the scope of sustainability bonds, in order to solidify the sustainable finance ecosystem. To further assist government agencies and companies in raising funds needed for sustainable development and transformation through the bond market, TPEX launched a subsidy for assessing issuance of sustainability bonds in August 2024. It was a practical action taken to support issuers in their journey towards sustainability. According to



statistics from the World Federation of Exchanges (WFE), the issuance scale of sustainability bonds on TPEX in 2024 ranked the second among major exchanges in the Asia-Pacific region and the sixth in the world. The Climate Bonds Initiative (CBI) released a report in June 2024 stating that all green, social and sustainability bonds listed on TPEX comply with its Climate Bonds Database methodology. CBI also commended TPEX as a high-quality exchange for sustainability bonds, which demonstrates the sustainability bonds market created by TPEX is aligned with international practices, with internationally recognized results. In addition, TPEX is also actively developing ESG indexes, climate resilience indexes and related index products, in an effort to perfect the sustainable finance on all fronts. It is hoped that TPEX provides the most adequate services for corporate financing, and more diversified responsible investment targets for the capital market.

TPEX not only actively supports the government and enterprises to strengthen their ESG practices through various mechanisms of the capital market, which is where its core capacity lies in, but also spares no effort in advancing its own sustainability development. In addition to proactive implementation of energy-saving and carbon-reducing practices and strengthened climate change-related risk governance, TPEX participates in charitable actions, supports social welfare programs, and sponsors research and development of the capital market, thereby giving back to the society and internalizing ESG actions as daily practices. The tiny actions come together and form huge impacts, on environmental protection, social care and sustainability governance. TPEX strives to become a well-rounded, sustainable exchange, and will continue to work with all participants in the TPEX market to collectively implement ESG. The ultimate goal is to bring about positive impact on the society and contribute to Taiwan's sustainable development while driving economic advancement.

Chairman

Chen Li-Chang



ABOUT TPEX

1. Basic Information

Name	Taipei Exchange	Primary market	Taiwan
Year established	1994	Primary scopes of service	Supporting SMEs and micro-enterprises in the key industries, and the innovation and creativity industry in listing and fund-raising, while also operating a diversified market trading business encompassing stocks, bonds, gold, ETFs, ETNs, call (put) warrants, and over-the-counter derivatives, covering both centralized trading and negotiated trading functions.
Location of headquarters	15F., No. 100, Sec. 2, Roosevelt Rd., Zhongzheng Dist., Taipei City	Number of employees	304
Business locations	Guting Office, Taipei City Banqiao Office, New Taipei City Taipower Backup Office, Taipei City Banqiao Server Room, New Taipei City Taichung Remote Backup Server Room, Taichung City	Total assets	NT\$13.3 billion

30th Anniversary Appreciation Reception and Award Ceremony



2. Organizational Structure

The Board of Directors is the highest governance body. The Chairman convenes and serves as the chairman of the meeting. The Board of Directors is composed of 15 members and has 5 supervisors to supervise its operation. TPEx has one Managing Director & CEO who manages organization business in accordance with the business policies decided by the Board of Directors, while one or two Deputy CEOs along with one Chief Administrative Officer assist the Managing Director & CEO in handling business. TPEx has 10 business departments including the departments for Startup Incubation, Listing Examination, Listing Supervision, Trading, Market Surveillance, Bond, Information, Intermediaries Service, Administration, Strategy & International Relations, as well as an Internal Audit Office that reports directly to the Board of Directors. Please refer to the official website of TPEx for the main business of each department.

Website: <https://www.tpex.org.tw/en-us/about/company/organization.html>



3. History

Taiwan's over-the-counter (OTC) market took shape with the Taiwan Securities Association in February 1988. The Ministry of Finance subsequently decided to establish TPEX in 1993, a non-profit institution, to formalize and strengthen Taiwan's capital market and specifically the OTC market. TPEX was established in accordance with the Securities and Exchange Act on July 27, 1994, and became officially operative on November 1 of the same year. The initial funds were jointly donated by the Taiwan Stock Exchange (hereinafter referred to as TWSE), the Taiwan Securities Association, and the Taiwan Depository & Clearing Corporation (hereinafter referred to as TDCC). The competent authority is the Financial Supervisory Commission (hereinafter referred to as FSC).

Starting



1994~1999

- TPEX formally established (1994/11)
- Electronic trading system (for the main board) formally launched (1994/12)
- TPEX Capitalization Weighted Stock Index formally announced, with 100 points as the base (1995/11)
- Regulations Governing Implementation of the Market Surveillance System for Securities Traded on the TPEX promulgated (1996/5)
- TPEX trading opened to foreign investment (1996/7)
- Launched Administration of the Joint Responsibility System Clearing and Settlement Fund (1998/12)
- Margin trading launched (1999/1)
- TPEX block trading system rules published and implemented (1999/8)
- Bond Electronic Broking System (EBTS) launched with repo transaction functionality (2000/7)
- Emerging Stock Board established (2002/1)

Growing



2000~2004

- Joined IOSCO as an affiliate member (2002/5)
- Officially launched the Market Observation Post System (MOPS) (2002/8)
- Launched call (put) warrants (2003/3)
- Emerging Stock Computerized Price Negotiation and Click System introduced (2003/9)

Maturing



2005~2009

- Launched the conditional trade function in the Bond Electronic Trading System (2005/3)
- Obtained ISO 9001 quality management system certification (2005/10)
- Launched Formosa Bonds (2006/11)
- Obtained ISO 27001 information security management system certification (2006/11)
- Launched the derivatives trading system (2007/3)
- First foreign enterprise registered Emerging Stock on TPEX (2009/5)
- Launched the foreign government bond trading system (2009/11)

Expanding



2010~2014

- Became an affiliate member of the World Federation of Exchanges (WFE) (2010/4)
- Launched the TPEX 50 Index and the Taiwan Benchmark Government Bond Index (2010/4)
- First foreign enterprise completed a primary listing on TPEX (2010/6)
- Official launch of the TPEX Industry Chain Information Platform (2010/12)
- First two ETFs listed on TPEX: TPEX 50 ETF and Fubon Taiwan Bond ETF (2011/1)
- First foreign enterprise listed TDRs on TPEX (2011/2)
- Upgraded to full membership in WFE (2011/10)
- Obtained ISO 20000 Information Technology Service Management certification (2012/10)
- First Renminbi-denominated international bond issued, named Formosa Bond (2013/3)
- Became a full member of the Asian and Oceanian Stock Exchanges Federation (AOSEF) (2013/4)
- Became a member of the Global Association of Central Counterparties (CCP12) (2013/9)
- Obtained BS10012 Personal Information Management System certification (2013/9)
- Launched the Go Incubation Board for Startup and Acceleration Firms (GISA) (2014/1)
- Launched the TPEX Labor Employment 88 Index (2014/5)
- Launched the TPEX Compensation Index (2014/8)
- Official launch of the open-end fund trading platform (2014/10)
- Official launch of the IRS early unwind system (2014/11)
- Official launch of the IRS trading platform (2014/12)

Deepening



2015~2019

- Officially launched the gold trading platform (2015/1)
- Permitted securities firms to operate equity crowdfunding business (2015/4)
- Launched gold warrants (2016/9)
- First batch of green bonds listed (2017/5)
- Received the Green Bond Pioneer Exchange Award (2018/3)
- Joined the Climate Bonds Initiative (CBI) (2018/5)
- Launched the TPEX 200 Index (2019/3)
- First three ETNs listed on TPEX (2019/4)
- Permitted foreign issuers to issue Islamic fixed-income securities (Sukuk) in Taiwan (2019/6)
- Recognized by the U.S. Securities and Exchange Commission (SEC) as a Designated Offshore Securities Market (2019/9)

Leaping



2020~2024

- Opened the market for security token offerings (STO) (2020/1)
- Implemented continuous trading mechanism (2020/3)
- Published the TPEX ESG Index (2020/6)
- Established the Sustainability Bond Market (2020/10)
- Implemented intraday odd-lot trading system (2020/10)
- Obtained ISO 22301 Business Continuity Management System certification (2020/12)
- Established the Social Bond Market (2021/5)
- Launched the dedicated board for sustainability bonds (2021/5)
- Implemented the market-making system for TPEX-listed stocks (2021/6)
- Launched the Pioneer Stock Board (PSB) for Emerging Stocks (2021/7)
- Joined the International Capital Market Association (ICMA) (2021/7)
- Established the Sustainability-Linked Bond Market (2022/7)
- Published the TPEX ESG 30 Index (2022/9)
- Launched the TPEX FactSet Climate Resilience Index Series (2023/9)
- First green government bond listed on TPEX (2024/1)
- First social responsibility government bond listed on TPEX (2024/1)
- First green Exchangeable corporate bond listed on TPEX (2024/8)
- First green covered bond listed on TPEX (2024/10)
- First green convertible corporate bond listed on TPEX (2024/11)
- Received the National Sustainable Development Award (2024/12)
- First sustainability-linked convertible corporate bond listed on TPEX (2024/12)

4. Core Businesses


TPEX is dedicated to promoting the operation and development of the securities market. In alignment with national economic policies, TPEX endeavors to foster characteristic Taiwanese enterprises, develop new products, boost market turnover, and actively engage in international cooperation and exchanges with global capital markets to explore innovative businesses. Over the years, TPEX has evolved into a distinctive financial product and trading service center in the international arena.

Under the strategic goal of building a multi-functional and multi-tiered full-fledged exchange, TPEX has strived to become a service center for corporate financing and financial product trading. We actively support key industries, small and medium enterprises (SMEs), and micro-enterprises by providing listing and fundraising channels, and are committed to developing a versatile market that incorporates both centralized trading and over-the-counter negotiated trading mechanisms. TPEX operates a diversified product platform, covering stocks, bonds, gold, warrants, ETFs, ETNs, and OTC derivatives, to meet the various trading needs of investors.

SUSTAINABLE FUTURE, POWERED BY DUAL-CORED
STOCKS AND BONDS OF TPEX.

TPEX

TPEX Trading Services and Financial Products

 TPEX Market	Centralized Computer Bidding System	TPEX Listed Securities	<ul style="list-style-type: none">• TPEX-listed stocks• Call (Put) Warrants• Taiwan Depository Receipts (TDRs)• Exchange-Traded Funds (ETFs)• Convertible/Exchangeable Corporate Bonds• Exchange-Traded Notes (ETNs)	
	System Negotiated Transaction	Emerging Stock Market*		
		Listed Open-Ended Funds		
		Gold		
	System Negotiated Transaction and OTC Negotiation	Bonds	<ul style="list-style-type: none">• Government Bonds• Corporate Bonds• International Bonds	<ul style="list-style-type: none">• Financial Debentures• Foreign Bonds• Beneficiary certificates
		Derivatives	<ul style="list-style-type: none">• Interest rate swaps• Bond derivatives• Credit derivatives• Equity derivatives	<ul style="list-style-type: none">• Structured notes• Foreign exchange derivatives• Asset swaps
Equity Crowdfunding	Go Incubation Board for Startup and Acceleration Firms (GISA) stocks			

*Note: To further improve the Emerging Stock Market (ESM), TPEX consolidated the Pioneer Stock Board (PSB) into the Emerging Stock Board (ESB) on January 1, 2024. The trading of stocks on the merged board will follow the negotiated trading system previously used by the ESB.

5. Business Performance

2024 Trading Value

Unit : NT\$ 100 million

Average daily trading value of stock	Main Board	960.84
	Emerging Stock Market	33.49
Average daily trading value of equity warrants		7.83
Average daily trading value of ETFs, ETNs, open-end funds, and gold	ETF	135.50
	ETN	0.03
	Open-ended fund	0.0013
	Gold	0.07
Average Daily Trading Value of Bond Market	Government bonds	41.49
	Financial debentures	3.97
	Corporate bonds (including regular corporate bonds and convertible corporate bonds)	47.59
	beneficiary Securities	0.00
	International bonds	4.20
Accumulated Trading Value of Derivatives	Fixed income trading of convertible bond asset swaps	1,025.20
	Option trading of convertible bond asset swaps	2,344.49
	Interest rate derivatives	3,550.50
	Structured products	4,585.47
	Credit derivatives	14.06
	Equity derivatives	1,046.51
	Foreign exchange derivatives	759.39
	Foreign exchange margin trading	6,014.79
	Commodity contracts for difference (CFD)	9,916.25
	Equity contracts for difference (CFD)	2,841.80

Business

NT\$ 1million

Items	2022	2023	2024
Operating revenues	3,317	3,856	5,209
Operating expenses	2,113	2,328	2,938
Non-operating income and expenses	61	262	316
Surplus after income tax	1,020	1,483	2,124
Income tax expense	246	307	463



Sustainable Future, Powered by Dual-Cored Stocks and Bonds of TPEX

MILESTONES IN SUSTAINABLE DEVELOPMENT

Sustainable Achievements

- 2014**
 - Released the TPEX(Gretai) Labor Employment 88 Index and the TPEX Compensation Index
- 2015**
 - Released the TPEX Corporate Governance Index
- 2017**
 - Established the trading mechanism for green bonds
 - The first green bonds were listed on the TPEX
- 2018**
 - Won the 2017 International Green Bond Exchange Award
 - Became a member of the Climate Bonds Initiative (CBI)
- 2019**
 - Established a recognition mechanism for green financial asset securitization products
- 2020**
 - Released the TIP TPEX ESG Index
 - Established the trading mechanism for sustainability bonds
 - The first batch of sustainability bonds was listed on the TPEX
- 2021**
 - Established the trading mechanisms for social responsibility bonds and sustainable development government bonds
 - Launched the dedicated market for Sustainable Bond
 - The first social bonds were listed on the TPEX
 - Became a member of the International Capital Market Association (ICMA)
 - Released the TIP TPEX ESG Growth Total Return Index and the TIP Customized TPEX ESG IT Elite Total Return Index
 - Received multiple honors from the 2021 Asia Sustainability Reporting Awards (ASRA)
 - Gold Award for Asia's Best Sustainability Report (Public Sector)
 - Gold Award for Asia's Best Stakeholder Reporting
 - Silver Award for Asia's Best CEO Letter in a Sustainability Report

2022

- Established the trading mechanism for sustainability-linked bonds
- The first sustainability-linked bonds were listed on the TPEX
- Released the TIP TPEX ESG HD TR Index and TIP TPEX ESG 30 Index

2023

- Established the trading mechanism for Sustainable Development Convertible (Exchangeable) Bond
- Released the TIP TPEX ESG ML Total Return Index and the TPEX FactSet Climate Resilience Index Series

2024

- The first green government bond, the first batch of social government bonds, the first batch of green exchangeable bonds, the first green covered bond, the first green convertible bond, and the first sustainability-linked convertible bond were listed on the TPEX.
- Received the National Sustainable Development Award – Honorable Mention



CHAPTER 1

SUSTAINABLE STRATEGY



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1.1 SUSTAINABLE PROMOTION



1.1.1 Sustainability Goals and Strategies

With the vision of Embracing Sustainable Finance, Creating Win-Win-Win for Customers, the Market and the Environment, TPEX implements a three ESG aspects-oriented strategy and formulates the execution strategies from three levels, namely TPEX, the real economy and the capital market.

TPEX	Goal	In response to international trends and government calls, deepening our own sustainable development and supporting businesses in achieving net-zero transformation, aiming to co-create a sustainable future.
	Strategies	<ul style="list-style-type: none"> • Setting carbon reduction targets and specific implementation measures with reference to international initiatives or Taiwan's policies such as the 2050 Net Zero Emissions Pathway. • Using internal mechanisms and resources to train and retain talents, care for society, and cultivate the sustainable value and ESG culture. • Strictly abiding by the ethic management guide, improving service resilience, and strengthening TPEX's sustainability information disclosure and communication with stakeholders.
Real Economy	Goal	Assisting enterprises to strengthen ESG sustainable development in multiple aspects to enhance the competitiveness.
	Strategies	<ul style="list-style-type: none"> • Guiding enterprises to implement greenhouse gas inventory and assurance, and cultivating sustainable development competitiveness. • Strengthening the promotion of corporate sustainable development. • Promoting various corporate governance measures in accordance with the Corporate Governance Roadmap and relevant policies.
Capital Market	Goal	Guiding funds into ESG development and transition, and offering diversified products and services to improve the operation of the sustainable finance ecosystem.
	Strategies	<ul style="list-style-type: none"> • Promoting diversity and innovation of sustainable products, guiding funds to support the sustainable transformation of enterprises, and providing investors with more opportunities for responsible investment. • Continuously optimizing products and services, conducting financial education seminars, creating a friendly market environment, and implementing inclusive finance. • Cooperating with the competent authorities to promote the sustainable development and transformation of securities firms. • Improving the market system and enhancing the transparency of sustainable information to increase the security, fairness and stability of transactions.

1.1.2 Sustainable Promotion Organization

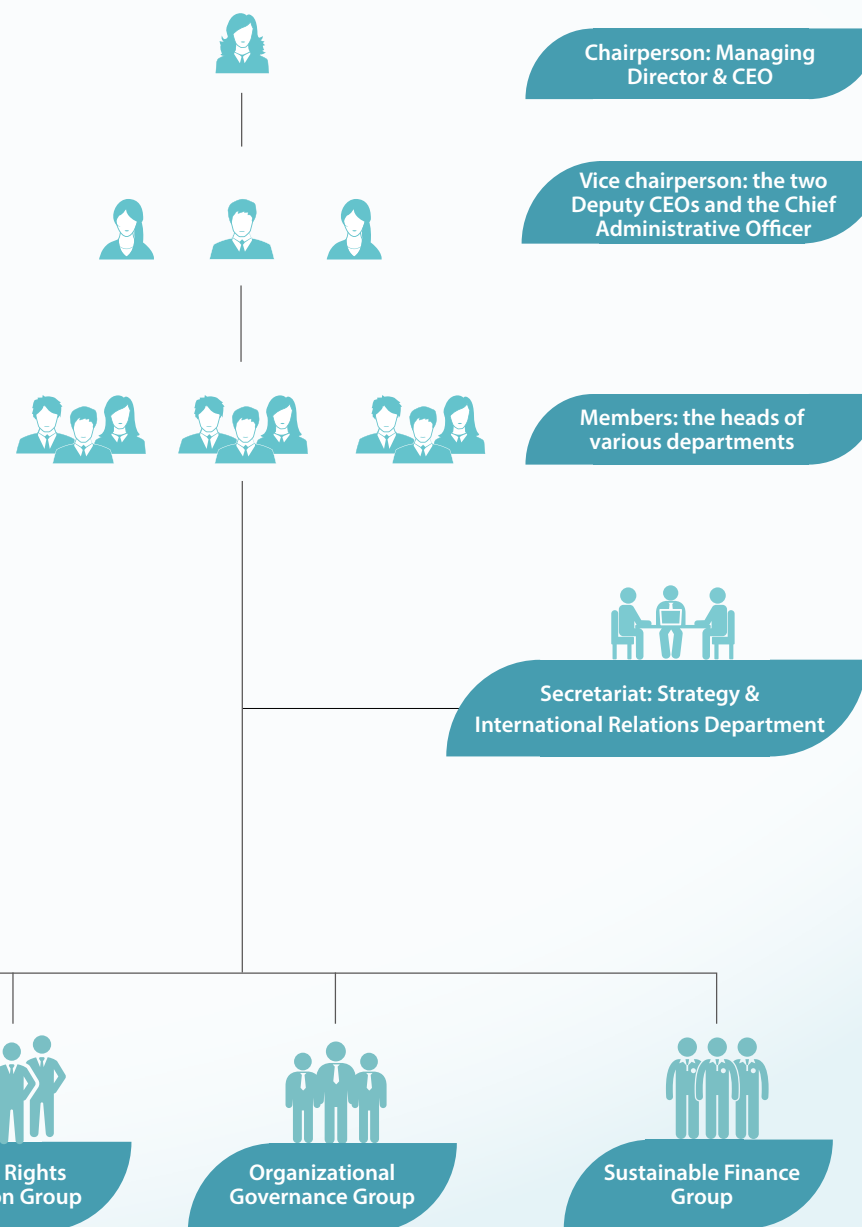
To coordinate and promote sustainable development, TPEx has established the Sustainable Development Committee, composed of cross-departmental representatives. The Managing Director & CEO serves as the chairperson, the Deputy CEOs and the Chief Administrative Officer serve as the vice chairpersons, and the heads of departments serve as members. Under the Committee, five functional promotion groups have been established—Environmental Sustainability, Social Co-prosperity, Human Rights Protection, Organizational Governance, and Sustainable Finance—to promote and implement sustainable development strategies, and to track implementation effectiveness.

To ensure the smooth operation of the Committee, a Secretariat has been established, managed by the Strategy & International Relations Department. The Secretariat is responsible for formulating sustainable development goals and strategies, coordinating meeting affairs, and compiling the sustainability report.

In principle, the Sustainable Development Committee holds two meetings annually, with additional meetings convened as needed to accommodate business promotion. In 2024, committee meetings were held in April and November. The key reports and discussions of the April meeting included: the implementation status and enhancement recommendations of the major sustainability goals and strategic plans set in the previous year; progress reports from the functional promotion groups; the compilation of the sustainability report; and the review results of the greenhouse gas inventory report.

The November meeting focused on the implementation outcomes of the functional promotion groups; the formulation of sustainability goals and strategic plans for the upcoming year; planning for the compilation of the sustainability report; follow-up arrangements for the greenhouse gas inventory; and the Committee's adoption of the ISO 14068-1:2023 Carbon Neutrality Program.

TPEx reports to the Board of Directors through the sustainability report on its sustainability strategies, key sustainability goals, implementation outcomes, and performance.

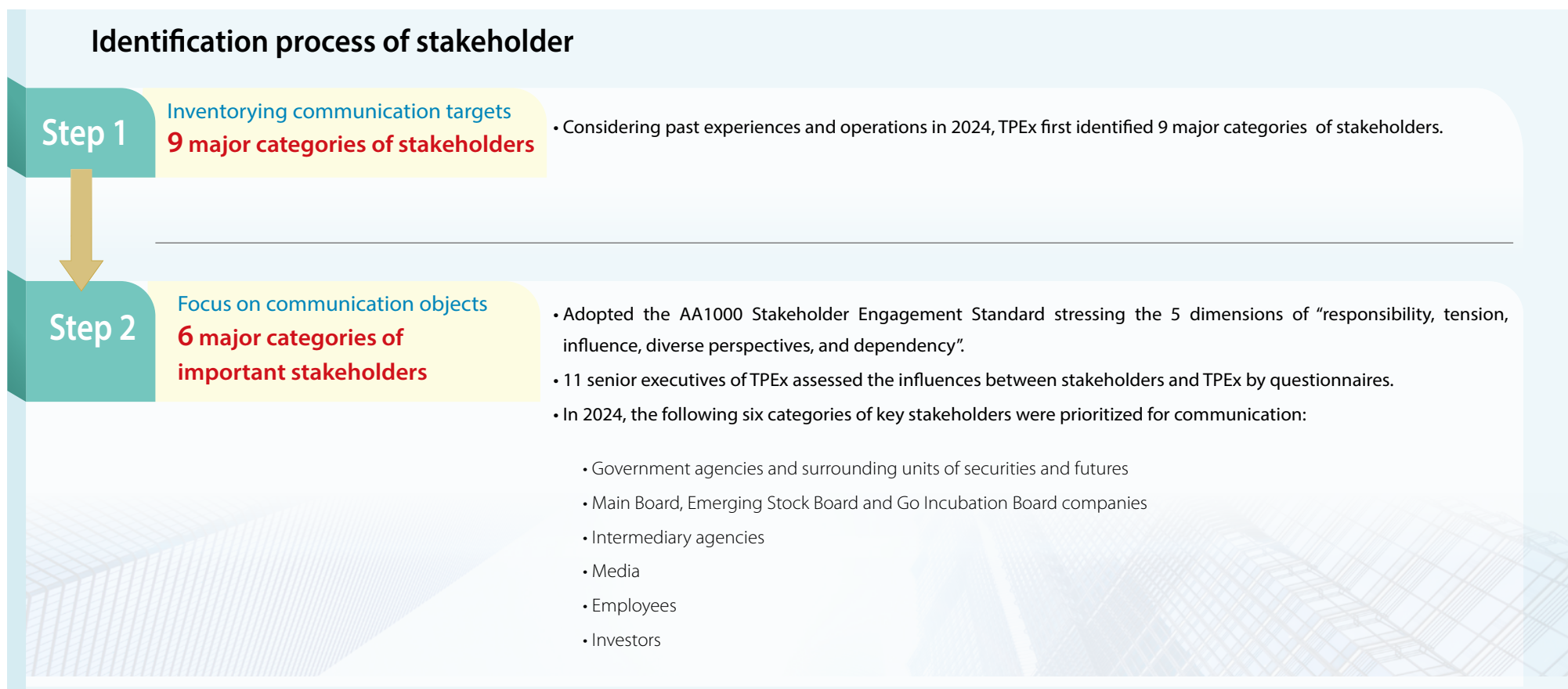


1.2 STAKEHOLDERS IDENTIFICATION AND ENGAGEMENT

1.2.1 Stakeholders Identification

Stakeholders Identification

To strengthen communication with stakeholders and continuously improve its practices, TPEX identified key stakeholders in its 2024 report using the following methods, and conducted a stakeholder survey to understand their issues of concern, with the aim of refining TPEX's sustainable development strategies.



1.2.2 Stakeholders Engagement

Stakeholders	Importance to TPEX	Expectations for TPEX	Main communication channels and frequency	Main communication results
Government agencies and surrounding units of securities and futures	TPEX is a franchise business and is subject to the approval of the competent authority; as such, it is obligated to cooperate with the competent authority's supervision and inspection. Government agencies at all levels have influence, binding force and legal authority on TPEX daily operations, and surrounding units of securities and futures are important partners of TPEX to promote relevant policies.	To enhance the competitiveness of Taiwan's capital market, TPEX is committed to deepening corporate governance among TPEX-listed companies, strengthening board functions, promoting shareholder activism, improving information disclosure, and reinforcing corporate sustainability responsibilities.	<ul style="list-style-type: none"> • Meetings and public hearings (irregular) • Formal correspondence (irregular) • Phone call, fax, and email (irregular) • Compiling and reporting important business statistics (irregular) 	<ul style="list-style-type: none"> • TPEX cooperated with the competent authority in reviewing, revising various rules and regulations, and promoting new systems. • Assisted in promoting new systems in line with the competent authority's policy directions. • Completed all assignments delegated by the competent authority in a timely manner.
Main Board, Emerging Stock Board and Go Incubation Board companies	Domestic and international enterprises, after receiving counseling and examination from TPEX, issue stocks to be listed on the Main Board, Emerging Stock Board and Go Incubation Board, or issue bonds to raise funds. This helps promote economic growth and facilitates circulation of capitals.	Improve the examination and supervision framework and related regulations, enhance review efficiency, promote, and provide training on newly amended laws and regulations, respond promptly to inquiries from Main Board and Emerging Stock companies, maintain open consultation and communication channels, and improve the provision of diversified financing instruments and related services, such as stocks and bonds.	<ul style="list-style-type: none"> • Routine audits (regular/quarterly/monthly) • Field visits (irregular) • Educational training (irregular) • Formal correspondence (irregular) • Special audits (irregular) • Symposiums, educational promotion, forums (irregular) • Phone calls, fax, and e-mail (irregular) 	<ul style="list-style-type: none"> • By the end of 2024, there were 838 domestic and foreign companies listed on the Main Board, including 30 companies newly listed in 2024. • By the end of 2024, there were 347 domestic and foreign companies listed on the Emerging Stock Board, including 83 companies newly listed in 2024. • By the end of 2024, there were 107 companies listed on the Go Incubation Board and 65 companies under counseling. • In 2024, a total of 53 sustainable bonds were issued, with an issue amount of NT\$149.185 billion.

Stakeholders	Importance to TPEX	Expectations for TPEX	Main communication channels and frequency	Main communication results
Intermediaries	TPEX promotes key partnerships with professional institutions that serve as important bridges for enterprises entering the capital market. This helps improve TPEX's efficiency in counseling and examination, and facilitates the matching of high-quality enterprises with market funds	Organize promotion and education seminars on various newly revised laws and regulations, and establish sound communication channels with TPEX.	<ul style="list-style-type: none"> • Intermediary agency award ceremonies (annual) • Formal correspondence (irregular) • Meetings, seminars, and promotional events (irregular) • Telephone, fax, and email (irregular) 	<ul style="list-style-type: none"> • Organized two "Intermediary Agency Training Sessions on Assisting Domestic and Foreign Companies in Listing on TPEX." • Held the 2024 "Intermediary Agency Awards and New TPEX-listed Company Gathering" to recognize outstanding intermediary institutions and enhance mutual communication. • Communications with certifying accountants as needed for regular and exceptional management tasks. • Communications with securities underwriters as needed for TPEX-listed company management. • Conducted a total of 182 routine and special audits, risk assessments, and anti-money laundering inspections of securities firms.
Media	TPEX promotes various systems, operations, and publicity efforts that involve the interests of a broad range of investors. As media reach a wide range of investors and spread information fast, it helps enhance the efficiency of information acquisition by investors and strengthen investor services and protection.	Manage the publication of news messages related to various systems, operations, and publicity efforts, and establish a good communication channel with TPEX.	<ul style="list-style-type: none"> • Internet messaging applications (irregularly) • Press conferences and press releases (irregularly) • Telephone, fax, and email (irregularly) 	<ul style="list-style-type: none"> • Regular and irregular publication of news in print media. • Distribution of TPEX market news and advertisements through online news media. • Online advertising through media platforms such as Facebook, Google, YouTube, newspapers, and banner ads.

Stakeholders	Importance to TPEX	Expectations for TPEX	Main communication channels and frequency	Main communication results
Employees	Employees are a vital asset of the TPEX, responsible for developing new products, maintaining various trading systems, supervising the market, promoting corporates' fundraising, and revitalizing the securities market. High-quality and competent personnel are the key to strengthening TPEX's competitiveness.	Recruiting competent employees, cultivating high-quality talents, maintaining harmonious labor relations, and creating an excellent work environment are core to sustaining TPEX's competitive edge.	<ul style="list-style-type: none"> • Employee-employer meetings (quarterly) • Encouragement meetings (quarterly) • Joint meetings of the Employee Pension Fund Management Committee and the Labor Retirement Reserve Supervision Committee (held once every quarter, and may also be held irregularly) • Personnel appraisal group meetings (held once every six months, and may also be held irregularly) • Year-end thanksgiving parties (annually) • Sports events (irregular) • Training for executives and all employees (irregular) • Sexual harassment complaint handling committee (irregular) 	<ul style="list-style-type: none"> • In 2024, the employee-employer relations were harmonious, with no major issues arising between the two sides. • No employees applied for parental leave in 2024. Among those who returned from parental leave in the previous year, 100% remained employed one year after reinstatement. • According to the 2024 employee opinion survey on education and training, employees responded positively to the training programs.

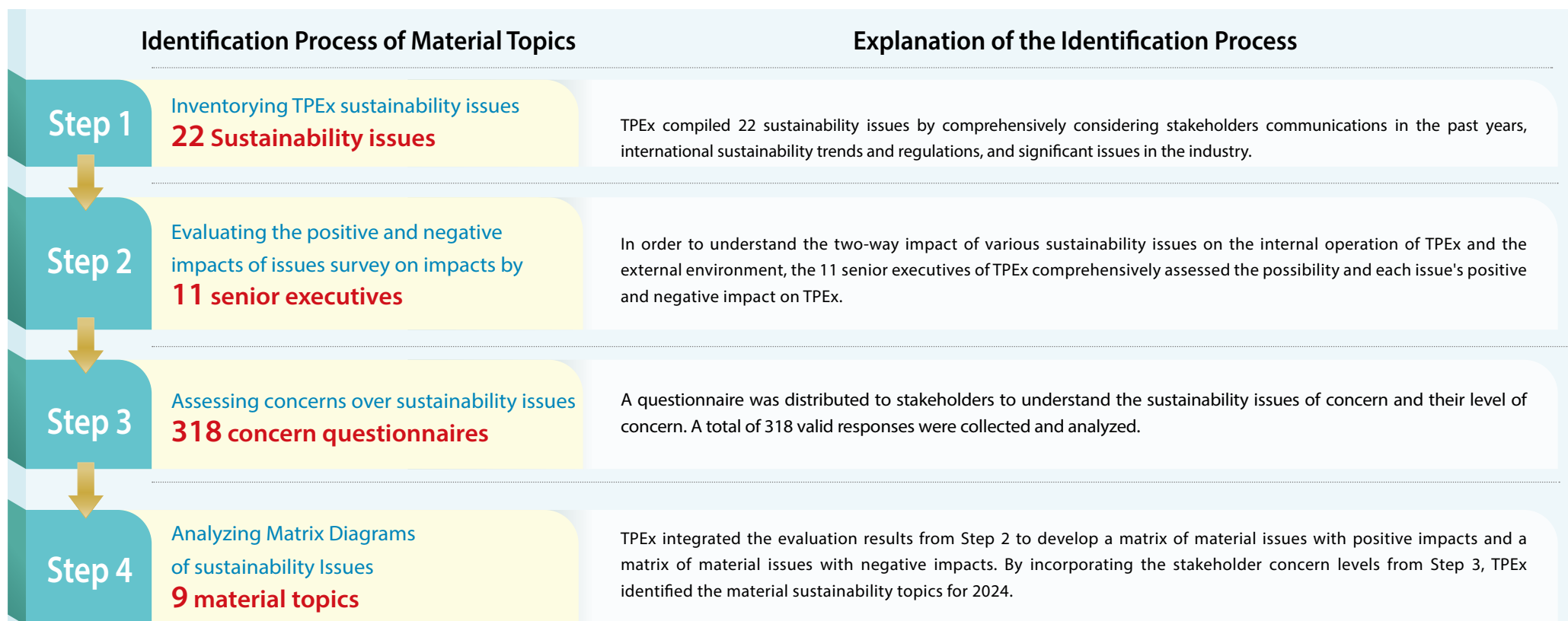
Stakeholders	Importance to TPEX	Expectations for TPEX	Main communication channels and frequency	Main communication results
Investors	With the mission of providing a fair and safe trading environment and meeting the investors' needs, TPEX provides diverse instruments such as stocks, bonds, warrants, ETFs, ETNs and derivatives, enabling investors of different attributes and types to participate.	Protect investor rights, and enhance market supervision to make information symmetrical, open and transparent.	<ul style="list-style-type: none"> • TPEX Corporate Day Events (quarterly) • Emerging Stock Board company performance briefings (biannually) • Official website and social media (irregular) • Investor emails and service hotline (irregular) • Market Observation Post System updates (regular and irregular) • Market announcements and press releases (irregular) 	<ul style="list-style-type: none"> • In 2024, the total number of traders in the TPEX market exceeded 3.92 million. • There is a dedicated hotline for investors and a consultation hotline for Emerging Stock Board investors. Each hotline is answered by dedicated personnel, and 100% of the messages have been conveyed to the relevant business department for handling and replying to the investors.



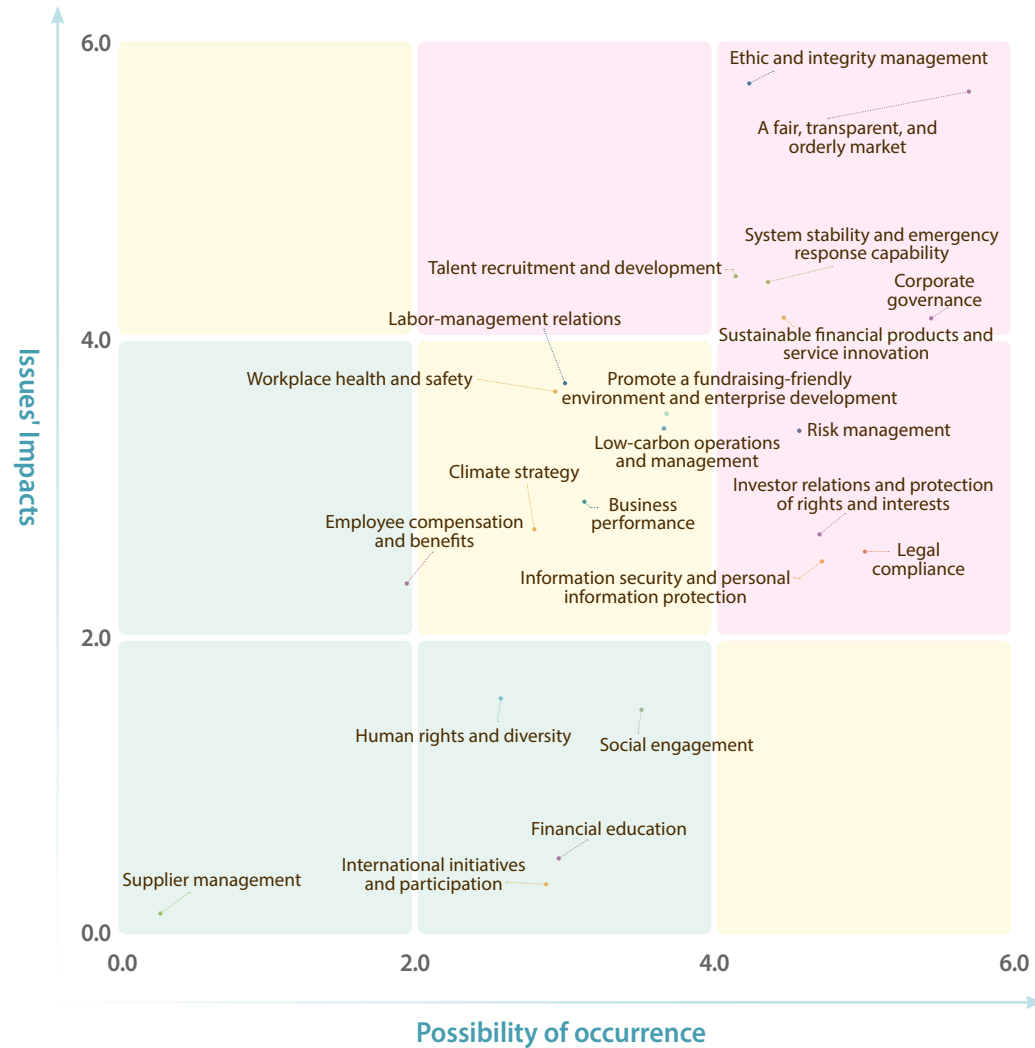
1.3 MANAGEMENT OF MATERIAL SUSTAINABILITY TOPICS

1.3.1 Material Topics Analysis

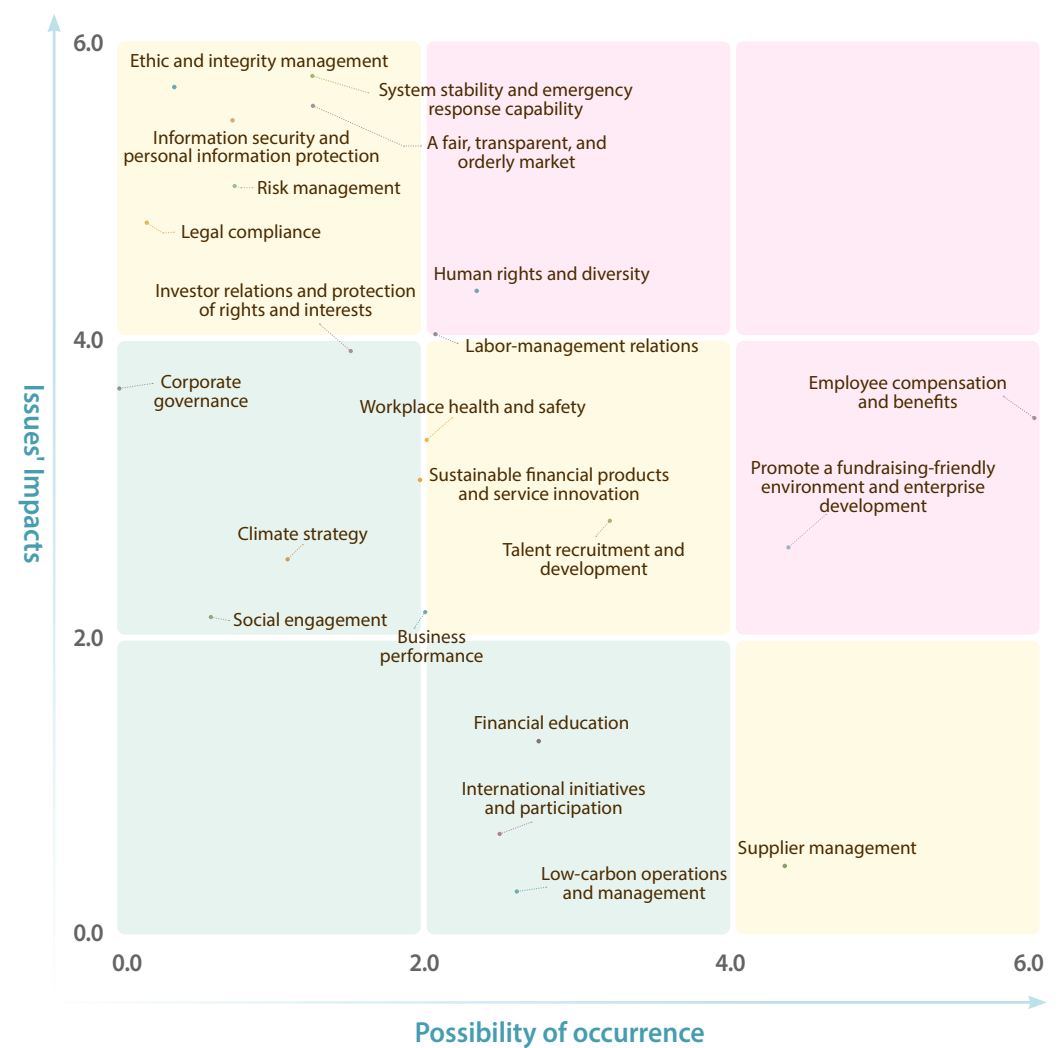
Based on the analysis of the questionnaires on positive and negative impact issues completed by 11 department heads of TPEX, six issues with the highest impact levels were identified. In addition, TPEX referenced the results of the “Questionnaire on the Level of Concern on the Sustainability Issues of TPEX” completed by 318 stakeholders and considered the expectations of the competent authority for financial market institutions. As a result, nine material issues were identified for the 2024 TPEX Sustainability Report: “A Fair, Transparent, and Orderly Market”, “Ethics and Integrity Management”, “Corporate Governance”, “System Stability and Resilience”, “Sustainable Financial Products and Service Innovation”, “Information Security and Personal Information Protection”, “Legal Compliance”, “Employee Compensation and Benefits”, and “Climate Strategy”. Compared with 2023, “Sustainable Financial Products and Service Innovation” was newly added as a material topic.



Matrix diagram of sustainability issues with positive impacts



Matrix diagram of sustainability issues with negative impacts



1.3.2 Material Topics Management

Involvement degree in the impact of material issues

Material Topics	Value Chain					
	Upstream				Midstream	Downstream
	Government agencies and surrounding units of the securities and futures market	Main Board, Emerging Stock Board and Go Incubation Board companies	Intermediary agencies	Media	Employees	Investors
A Fair, Transparent, and Orderly Market	✓	✓	✓	✓	✓	✓
Ethics and Integrity Management	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	
System Stability and Resilience	✓	✓	✓	✓	✓	✓
Sustainable Financial Products and Service Innovation	✓	✓	✓	✓	✓	✓
Information Security and Personal Information Protection	✓	✓	✓	✓	✓	✓
Legal Compliance	✓	✓	✓	✓	✓	✓
Employee Compensation and Benefits	✓				✓	
Climate Strategy	✓	✓	✓	✓	✓	✓

Management Guidelines for Material Topics

Material Topics	Potential or Actual Impact		Policy/Commitment	Short, medium, and long-term goals			Grievance/evaluation mechanisms	2024 accomplishments	GRI/self-designed material issues
	Description of positive impacts	Description of negative impacts		Short-term	Medium-term	Long-term			
A fair, transparent, and orderly market	Attract high-quality domestic and international companies to enter the TPEX market, expand the market scale, stimulate active trading, and protect investor rights. Strengthen supervision and promote legal compliance among Main Board and Emerging Stock Board companies to enhance investor protection.	Undermining market integrity and reputation among stakeholders, a decrease in the number of listed issuers, and reduced willingness of investors to participate in the market.	<ul style="list-style-type: none"> • Implement securities firm audits, trading surveillance, and corporate supervision to enhance public investment stability. • Strive to improve trading mechanisms toward greater transparency, fairness, efficiency, and security, thereby encouraging more active trading. • Continue to implement securities firm audits. 	<ul style="list-style-type: none"> • Support small and medium-sized enterprises (SMEs) in entering the multi-tiered TPEX market to expand its overall scale. • Revise relevant regulations in accordance with the “Sustainable Development Action Plan for Listed Companies (2023)” and strengthen promotion of sustainability practices among Main Board and Emerging Stock Board companies to improve corporate quality and information transparency. • Hold two performance briefings annually for Emerging Stock Board companies to enhance information transparency and establish direct communication channels with investors. • Regularly enrich and review the industry chain information platform, updating industry and company-related information to help investors understand the trends and context of Main Board and Emerging Stock Board companies. 	<ul style="list-style-type: none"> • Review and revise relevant supervisory regulations and Main Board listing review mechanisms in a timely manner. • Enhance sustainability disclosures and align progressively with international sustainability disclosure standards. • Encourage companies to disclose Scope 3 greenhouse gas emissions information-Increase the proportion of female directors in Main Board companies. • Strengthen the supervision system for Main Board and Emerging Stock Board companies to safeguard investor rights. • Increase the proportion of female directors in Main Board companies. • Regularly and irregularly review the rationality of various bond transactions in the secondary market to maintain market stability. • Assist securities firms in complying with relevant laws and regulations. 	<ul style="list-style-type: none"> • Continuously improve market issuance and supervision systems to meet the diversified needs of enterprises and investors. • Continue to enhance sustainability disclosures and align with international sustainability disclosure standards. • Strengthen the management of information disclosure by issuers to promote open and transparent trading. • Deepen the sustainability governance culture of listed companies. • Continuously understand corporate needs and review and revise relevant regulations in a timely manner in line with international standards, encouraging more quality companies to enter the capital market, helping them face global competition and challenges, and jointly promoting sustainable capital market development. • Continuously strengthen the supervision system and information transparency of Emerging Stock Board companies to protect investor rights. 	<ul style="list-style-type: none"> • Provide an investor service hotline and dedicated email account. • Offer dedicated service windows and face-to-face communication channels for each issuer. • Organize forums with intermediary agencies to gather their feedback. • Conduct routine and exceptional supervision, financial statement reviews, and tiered internal control audits for Main Board and Emerging Stock Board companies. • Manage the information reporting and material announcements of Main Board and Emerging Stock Board companies, and maintain the reporting section on the Market Observation Post System (MOPS). • Maintain and regularly review the transaction reporting and information disclosure processes of various types of bonds. • During securities firm audits, provide firms and their personnel an opportunity to explain, with such explanations taken into consideration in the handling process. 	<ul style="list-style-type: none"> • Conducted a total of 216 and 63 audits of material information for TPEX and Emerging Stock Board companies, respectively. • Conducted a total of 214 and 33 cases of routine supervision and financial statement reviews for Main Board and Emerging Stock Board companies, respectively. • Conducted 92 and 24 audits on the implementation of internal control systems for Main Board and Emerging Stock Board companies, respectively. • Held a total of 4 promotional seminars on information reporting for Emerging Stock Board companies. • Conducted 401 cases of exceptional management for TPEX-listed companies. • Held 2 training sessions titled “Intermediary Agency Training Courses for Assisting Domestic and Foreign Companies in TPEX Listing.” • Co-hosted with TWSE and other organizations a total of 12 seminars (with 1,800 participants) on the revised standards for securities firms’ internal control systems, to help establish comprehensive and effective internal control and audit practices. 	Self-designed -material issues: A fair, transparent, and orderly market



Material Topics	Potential or Actual Impact		Policy/Commitment	Short, medium, and long-term goals			Grievance/evaluation mechanisms	2024 accomplishments	GRI/self-designed material issues
	Description of positive impacts	Description of negative impacts		Short-term	Medium-term	Long-term			
A fair, transparent, and orderly market				<ul style="list-style-type: none"> Regularly and irregularly update website bond information and related regulations to facilitate information retrieval by investors and issuers. Protect investor rights and interests. 		<ul style="list-style-type: none"> Continue reviewing and revising bond market-related regulations and systems in response to market development. Improve the overall development of the capital market. 	<ul style="list-style-type: none"> For disciplinary actions against securities firms, the sanctioned firm may submit relevant evidence and reasoning within 30 days for appeal. To enhance remedy mechanisms for sanctioned issuers, establish appeal procedures for cases involving “termination of TPEX trading” or “penalty fines” imposed in accordance with relevant regulations. 	<ul style="list-style-type: none"> Conducted a total of 182 routine and special audits, risk assessments, and anti-money laundering inspections for securities firms. Provided educational outreach and consultation services on bond-related systems and information reporting. 	
Ethics and Integrity Management	Ethics and integrity management enhance reputation and build trust with stakeholders.	Violations of ethical standards and integrity principles may lead to reputational damage, undermine investor confidence, disrupt market order, and result in penalties.	<ul style="list-style-type: none"> Formulated self-disciplinary regulations on integrity management to foster a culture of fairness, equality, and anti-corruption within the organization. Prevent conflicts of interest and eliminate misconduct such as corruption and violations of law. 	TPEX consistently complies with laws and upholds the principles of integrity, transparency, and accountability in its operations. It has established various ethical policies based on integrity. To promote ethical behavior, relevant regulations are published on the internal website for employees to access at any time. Training sessions on important topics related to ethics and integrity management are provided regularly. The internal audit unit reviews and verifies the adequacy and effectiveness of internal control systems to assist the Board of Directors and management in ensuring compliance with relevant policies and regulations. These efforts aim to establish a sound risk control mechanism and foster a sustainable operating environment.			<ul style="list-style-type: none"> Grievance Mechanism: A whistleblower policy has been established, along with a dedicated unit to handle reported cases. Reporting hotline: +886-2-2366-6084 Reporting email: ethics@tpex.org.tw Evaluation Mechanism: In accordance with the annual audit plan, quarterly audits are conducted on employees' trading of Main Board, Emerging Stock Board, and Go Incubation Board securities. The audit results are submitted to supervisors for review by the end of the following month and are reported quarterly to the Joint Meeting of Directors and Supervisors. 	<ul style="list-style-type: none"> To enhance integrity awareness and widely promote the importance of ethical business conduct, three training sessions on “Corporate Integrity and Whistleblower Mechanism” were held, with a total of 299 participants. No incidents of corruption or violations of law occurred. 	GRI 205: Anti-Corruption

Material Topics	Potential or Actual Impact		Policy/Commitment	Short, medium, and long-term goals			Grievance/evaluation mechanisms	2024 accomplishments	GRI/self-designed material issues
	Description of positive impacts	Description of negative impacts		Short-term	Medium-term	Long-term			
Corporate Governance	Good corporate governance promotes smooth operations, helps establish a good reputation, and positively influences all Main Board and Emerging Stock Board companies.	Poor governance that is rectified by the competent authority may result in reputational damage.	<ul style="list-style-type: none"> Establish an appropriate governance structure and act in compliance with laws to serve as a positive example for Main Board and Emerging Stock Board companies to enhance their corporate governance quality. TPEX's governance structure strengthens the development and implementation of internal systems. Under the supervision of competent authorities, all business operations comply with laws and uphold public interest, reinforcing governance functions and shaping a strong corporate culture. 	TPEX values stakeholder rights and is committed to establishing a sound corporate governance system to promote healthy business development. Through a professional management team, a well-structured and independent Board of Directors, rigorous internal audit and control mechanisms, and transparent and timely communication channels, TPEX aims to enhance governance quality and serve as a positive example for Main Board and Emerging Stock Board companies.			<ul style="list-style-type: none"> Formal correspondence and official communication. Reports submitted to the Joint Meeting of Directors and Supervisors. The Board of Directors has established an Internal Audit Committee, which regularly submits audit results and follow-up improvements for supervisor review and reports quarterly to the Joint Meeting of Directors and Supervisors. Dedicated investor email inbox. 	<ul style="list-style-type: none"> Recommendations issued by the Internal Audit Committee to various departments were submitted monthly for supervisor review and reported quarterly to the Joint Meeting of Directors and Supervisors, with all improvements completed. Held one Joint Meeting of Directors and Supervisors per month, with an average attendance rate of 98.57%. 	GRI 2: General Disclosures GRI 405: Diversity and Equal Opportunity
System Stability and Resilience	Maintaining the stability of financial market trading systems and ensuring system continuity during disasters are essential to maintaining uninterrupted trading operations.	System disruptions may harm investor interests and damage the organization's reputation.	<ul style="list-style-type: none"> Established a business continuity policy. TPEX's business continuity policy focuses on system reliability, information accuracy, and continuous trading operations. 	<ul style="list-style-type: none"> Ensure that the duration of any disruption to critical business operations does not exceed the maximum tolerable downtime. Complete activation of off-site trading system backup within the target recovery time. 	<ul style="list-style-type: none"> Maintain system stability and business continuity. Complete backup activation drills for information systems within the target recovery time. 	<ul style="list-style-type: none"> Ensure the implementation of the organization's business continuity plan. Continuously implement measures to strengthen the resilience of information systems. 	<ul style="list-style-type: none"> Coordinate business continuity needs through designated liaison channels. Email communication. Phone communication. Conduct internal and external audits every six months. Regularly convene Information Security Management Review meetings. 	<ul style="list-style-type: none"> Successfully passed the recertification audit of ISO 22301 conducted by the British Standards Institution (BSI); certification remains valid. Held two Business Continuity Management Review meetings. Conducted two onsite and two offsite system backup drills with a 100% success rate. Conducted simulation drills for hacker intrusion and distributed denial-of-service (DDoS) attacks, with effective defense results. 	Self-designated material topics: System Stability and Resilience



Material Topics	Potential or Actual Impact		Policy/Commitment	Short, medium, and long-term goals			Grievance/evaluation mechanisms	2024 accomplishments	GRI/self-designed material issues
	Description of positive impacts	Description of negative impacts		Short-term	Medium-term	Long-term			
Sustainable Financial Product and Service Innovation	<ul style="list-style-type: none"> • Provide investors with diversified investment options while safeguarding their rights and interests. • Attract domestic and foreign issuers to participate in Taiwan's sustainable bond market and deepen the development of sustainable finance in the country. 	<ul style="list-style-type: none"> • Failure to do so may harm investor rights and damage reputation. • A decline in market integrity and issuer participation may result in reduced investor confidence and fewer listed products. 	<ul style="list-style-type: none"> • Develop innovative sustainable financial products and services to offer investors diverse investment choices and protect their rights. • Referencing international sustainable bond principles, TPEX has established a trading mechanism for sustainable bonds. • Implement preand post-issuance external evaluation and information disclosure mechanisms to ensure fairness and transparency of information. 	<ul style="list-style-type: none"> • Continue developing diverse sustainable financial products and service innovations aligned with market trends to guide capital toward sustainability issues. • Promote broader issuer participation in the sustainable bond market to expand market scale. • Hold regular and irregular promotional seminars and participate in sustainability-related forums or lectures to advocate for the sustainable bond system. • Regularly and irregularly update sustainable bond information and related regulations on the website for easy access by market participants. 	<ul style="list-style-type: none"> • Continuously monitor international trends in sustainable bonds and assess the feasibility of introducing new types of sustainable bond products to meet evolving sustainable investment and financing needs. • Improve transparency in information disclosure to protect investor interests. 	<ul style="list-style-type: none"> • Build a robust ecosystem for sustainable bond markets. • Deepen the understanding and practice of sustainable investment and financing. • Support Taiwan's pathway toward the 2050 net-zero emissions target. 	<ul style="list-style-type: none"> • Organize promotional seminars or incentive programs. • Regularly review post-issuance disclosure of sustainable bond reports. • Manage issuer information filings and announcements, and maintain the dedicated section on the Market Observation Post System (MOPS). • Issuers whose applications for sustainable bond qualification are rejected by TPEX may submit an appeal in writing within 20 days from the date of the rejection notice. • Hold promotional seminars. • Provide investor hotline and dedicated email service. • Offer one-on-one service windows and face-to-face communication channels for each issuer. 	<ul style="list-style-type: none"> • Signed a co-branded product licensing agreement with international index company ICE Data Indices, LLC. • In 2024, a total of 53 sustainable bonds were listed, with an issuance amount of NT\$149.185 billion. • Facilitated the listing of Taiwan's first batches of sustainable government bonds and sustainable convertible (exchangeable) corporate bonds. 	Self-designated material topic: Sustainable Financial Product and Service Innovation
Information Security and Personal Data Protection	Safeguard the information privacy and security of clients and stakeholders to maintain market stability.	Any compromise of client or stakeholder data privacy and security may jeopardize market order and damage trust.	<ul style="list-style-type: none"> • Established an information security policy. • Protect the confidentiality, integrity, and availability of information assets to ensure secure and stable information services. 	<ul style="list-style-type: none"> • Report incidents of confidential data leakage in accordance with regulatory requirements and within specified timelines. • Successfully passed the certification for the ISO 27001:2022 standard. 	<ul style="list-style-type: none"> • Report incidents of confidential data breaches in accordance with regulations and within the required timeframes. • Ensure continued validity of ISO 27001 and BS10012 certifications. 	<ul style="list-style-type: none"> • Report incidents of confidential data breaches in accordance with regulations and within the required timeframes. • Ensure continued validity of ISO 27001 and BS10012 certifications. 	<ul style="list-style-type: none"> • Convene regular Information Security and Personal Data Protection review meetings. • Provide a dedicated investor service hotline and email contact. 	<ul style="list-style-type: none"> • Maintained valid certifications for ISO 9001, ISO 27001, and ISO 20000 issued by the British Standards Institution (BSI). <p>(The certification scope covers system development, IT operations, mainframe networks, and data center facility management maintained by the Information Technology Department.)</p>	GRI 418: Customer Privacy



Material Topics	Potential or Actual Impact		Policy/Commitment	Short, medium, and long-term goals			Grievance/evaluation mechanisms	2024 accomplishments	GRI/self-designed material issues
	Description of positive impacts	Description of negative impacts		Short-term	Medium-term	Long-term			
Information Security and Personal Data Protection				<ul style="list-style-type: none"> Introduced “device identification” mechanisms as part of a zero-trust network framework. Ensure the collection, processing, and use of personal data comply with legal requirements to reduce the risk of improper disclosure. 	<ul style="list-style-type: none"> Implement measures to enhance overall cybersecurity capabilities. Introduce zero-trust architecture mechanisms in accordance with the “Reference Guidelines for ZeroTrust Framework in the Financial Industry” Ensure the collection, processing, and use of personal data comply with legal requirements to reduce the risk of improper disclosure. 	<ul style="list-style-type: none"> Continuously implement measures to enhance overall cybersecurity defense capabilities. Continue adopting zero-trust architecture mechanisms in line with the “Reference Guidelines for Implementing Zero Trust Architecture in the Financial Industry” Ensure that the collection, processing, and use of personal data comply with legal requirements, thereby reducing the risk of unauthorized disclosure. 	<ul style="list-style-type: none"> Establish an information security policy, a personal data protection manual, and relevant procedures; conduct internal and external audits on a semiannual basis. Coordinate system-related requirements through designated business liaison channels. Ensure all employees receive annual training on information security and personal data protection. 	<ul style="list-style-type: none"> Held two Information Security and Personal Data Protection review meetings. No incidents of data tampering or personal data breaches occurred in 2024. Successfully conducted both onsite and offsite system backup drills, with a 100% success rate. The entire organization passed the certification for ISO 27001 (2022 version). Maintained valid BS10012 certification issued by the British Standards Institution (BSI). Implemented a “device identification” mechanism under a zero-trust network framework. Achieved a 100% completion rate for employee training on information security and personal data protection. 	GRI 418: Customer Privacy
Legal compliance	Complying with laws and regulations ensures sound operations, enhances reputation, and strengthens stakeholder trust.	Legal violations may lead to reputational damage, negative public perception, and potential penalties.	Fully comply with all applicable laws and regulations, and actively maintain open communication with stakeholders to prevent potential legal violations.	Regularly review relevant laws and regulations to prevent any legal violations, and provide timely training to employees to foster a culture of legal compliance.			TPEX has established a complaint mechanism and a dedicated legal unit. In the event of potential regulatory violations, stakeholders may submit complaints through this mechanism, and the designated legal personnel will handle the matter in accordance with TPEX's internal procedures.	<ul style="list-style-type: none"> No regulatory violations or corrective actions by competent authorities occurred in 2024 	GRI 2: General Disclosures










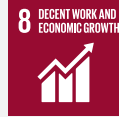





Material Topics	Potential or Actual Impact		Policy/Commitment	Short, medium, and long-term goals			Grievance/evaluation mechanisms	2024 accomplishments	GRI/self-designed material issues
	Description of positive impacts	Description of negative impacts		Short-term	Medium-term	Long-term			
Employee Compensation and Benefits	A fair and well-structured compensation and benefits system motivates employees in their career development and supports their families at different life stages, thereby enhancing overall corporate competitiveness. Competitive compensation and benefits help attract and retain talent.	The absence of fair compensation and benefits may hinder talent retention and pose risks to the organization's long-term operational development.	Salaries are not determined by gender, race, religion, political affiliation, or marital status. Employees receive equal treatment in salary progression and promotion during their tenure. Base salaries are standardized by job grade, providing a stable compensation structure.	Talent is TPEx's most valuable asset. We offer market-competitive salaries, benefits exceeding legal requirements, diverse learning resources, a safe and healthy work environment, and conduct regular performance evaluations and reward programs to attract and retain outstanding employees.			<ul style="list-style-type: none"> • Hold regular labor-management meetings to foster cooperation and enhance work efficiency. • Periodically review employee performance evaluations. Employees who propose innovative ideas, engage in research, lead projects or activities, or make outstanding contributions are given appropriate rewards. 	<ul style="list-style-type: none"> • The minimum starting salary in 2024 was 1.66 times the statutory minimum wage under the Labor Standards Act. • The average salary of entry-level employees in 2024 was 2.95 times the statutory minimum wage. • Labor-management meetings were held quarterly, with harmonious relations and no major disputes. • 100% of employees with over six months of service completed performance evaluations in 2024. 	GRI 401: Employment
Climate Strategy	Aligning with international trends by offering climate-related financial products encourages issuers to pay attention to climate issues and disclosures, while also providing investors with diversified investment options.	Failure to respond may harm investor interests and damage the organization's reputation.	Develop innovative climate-related products and services to offer investors diverse investment options and protect their rights and interests.	<ul style="list-style-type: none"> • Continue developing diverse climate-related products and services in line with market trends, leveraging sustainable investment to raise market awareness of climate issues. • Promote the use of sustainable bonds by more issuers to raise funds for low-carbon transition initiatives. 			<ul style="list-style-type: none"> • Organize promotional seminars. • Visit potential issuers and underwriters to introduce the sustainable bond mechanism, discuss related topics, and promote sustainable investment and financing concepts. 	<ul style="list-style-type: none"> • TPEx signed a co-branded product licensing agreement with international index provider ICE Data Indices, LLC, and will plan new index products in response to market demand. • TPEx actively expanded the sustainable bond market. In 2024, several product types were listed for the first time, including social responsibility government bonds, green government bonds, green convertible (exchangeable) corporate bonds, green covered bonds, and sustainability-linked convertible bonds. 	Self-designated material topic: Climate Strategy









1.4 2024 SUSTAINABILITY PRACTICES

1.4.1 SDGs Outcomes

SDGs/SSE	Goals	2024 Accomplishments
	End poverty in all its forms	<ul style="list-style-type: none"> • Joined hands with TPEX's listed companies to donate funds and supplies to the disadvantaged groups through 1919 Food Bank. • Responded to the Finance with Love - Food (Necessities) Banks joint donation event and provided resources such as food and necessities of life to underprivileged families.
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	<ul style="list-style-type: none"> • Sponsored the Hot Meal Program for Disadvantaged Elderly Living Alone of Hondao Senior Citizen's Welfare Foundation. • Commissioned Xingjian Organic Production Cooperative to farm organic paddy fields and donated the harvested rice to social welfare groups.
	Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> • Set up vaccination stations in the workplace to provide COVID-19 and influenza vaccination services, thereby increasing vaccination rates. • Sponsored medical equipment purchases of hospitals affiliated with the Ministry of Health and Welfare such as Puzi Hospital, Sinying Hospital, Hengchun Tourism Hospital and Penghu Hospital. • Sponsored NTU Children's Health Foundation to help children patients gain better functionality and development.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities	<ul style="list-style-type: none"> • Hosted 2024 TPEX Financial Elite Camp for College Students, with 46 participating schools, totaling 149 teams and 551 participants. • Participated in the Financial Services Education Charity Fund which supports young students from underprivileged families to complete their studies. • Donated to the School Education Savings of the Ministry of Education, which helps keep underprivileged students in schools. • Donated to the Financial Literacy for Youth Program which enhances financial knowledge and employability of economically disadvantaged college students. • Sponsored five branches of Taiwan Fund for Children and Families, providing scholarships to underprivileged students. • Directed educational resources to remote areas including sponsoring Art Without Distance – Deeping Education for Outlying Islands by the National Theater & Concert Hall, and Vox Nativa Taiwan's indigenous education service program. • Sponsored the Beyond Beauty: Taiwan from Above III documentary by Chi Po-lin Foundation, aiming to raise environmental awareness among the general public.

SDGs/SSE	Goals	2024 Accomplishments
  Target 5.5	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> • 55.6% of employees and 18.8% of the management are female. • Co-hosted a series of events promoting female start-up entrepreneurialship with the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs, including one salon/seminar and two competency enhancement courses. • Participated in the International Women's Day and WFE's 2024 Ring the Bell for Gender Equality.
	Ensure access to affordable, reliable, sustainable and modern energy	<ul style="list-style-type: none"> • Funded construction of solar power facilities which generated an accumulated 31,900 kilowatt hours up until 2024.
  Target 8.3	<ul style="list-style-type: none"> • Promote inclusive and sustainable economic growth • Ensure smooth operations of the capital market. Support and encourage growth of micro, small and medium-sized enterprises (MSMEs). • Promote corporate financing and stock transactions, thereby driving economic growth. 	<ul style="list-style-type: none"> • By the end of 2024, a total of 1,185 companies were listed on TPEX Mainboard, Emerging Stock Board (ESB) and Go Incubation Board for Startup and Acceleration Firms (GISA Board). • In 2024, 14 and 41 companies applied for listing on TPEX Mainboard and registration on ESB, respectively. • In 2024, 54 companies registered for GISA Board and applied for counseling service. • The average daily trading value of TPEX Mainboard securities reached NT\$112.275 billion, the second highest in history.
  Target 10.5	Ensure equitable opportunities. Through policies and legislation, improve regulations on and supervision of the financial market and financial institutions, and strengthen implementation of the laws and standards.	<ul style="list-style-type: none"> • Continued to require suppliers to sign the Corporate Sustainable Development Commitment, with a total of 156 documents signed in 2024. • Aligned with the Sustainable Development Roadmap mandated by the Financial Supervisory Commission (FSC), accelerated promotion of corporate governance among TWSE and TPEX listed companies, thereby supporting sound corporate development and boosting market confidence.
  Target 12.6	Promote sustainable development of enterprises	<ul style="list-style-type: none"> • Hosted 2024 Corporate Governance Evaluation Education Programs to update main board companies on the recent amendments. • In 2024, 347 main board companies issued the 2023 sustainability reports, of which 251 were voluntary. • Established a dedicated webpage titled IFRS Sustainability Disclosure Standards Alignment Portal and continued to improve and expand its functionality. • Adjusted the weight of "promotion of sustainable development" in the corporate governance evaluation, aiming to progressively transition the corporate governance evaluation into an ESG evaluation in 2026.

SDGs/SSE	Goals	2024 Accomplishments
  Target 13.3	Take actions to combat climate change and its impacts	<ul style="list-style-type: none"> • In 2024, 53 sustainable bonds were issued on TPEx Mainboard, with a total issue amount of NT\$149.185 billion. • Completed the 2024 greenhouse gas (GHG) inventory and received ISO 14064-1:2018 certificate for GHG inventory from the British Standards Institution (BSI). • Continued to use green energy which accounted for 26.69% of the overall electricity consumption. • Used hybrid models for company car.
	Protect, restore and promote sustainable use of terrestrial ecosystems, secure biodiversity and prevent land degradation	<ul style="list-style-type: none"> • Sponsored conservation and forestation in multiple coastal and mountainous areas by professional institutions such as the Forestry and Nature Conservation Agency, Ministry of Agriculture.
	Promote peaceful and inclusive societies, promote law enforcement and combat organized crimes	<ul style="list-style-type: none"> • Assisted the competent authority to combat financial investment frauds by actively collecting and reporting fraudulent advertisements. Patrol operations began on April 12, 2023, with a total of 24,748 online advertisements reported in 2024. • Actively conducted fraud prevention campaigns for raising awareness among the general public.
  Target 17.16	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> • Continued participation in major international conference, including: <ul style="list-style-type: none"> - WFE's 63th General Assembly & Annual Meeting, Working Committee Meeting and seminars - WFE's 2024 Clearing and Derivatives Seminar - IOSCO Seminar Training Program and Annual Meeting - AMCC's 2024 Meeting and Global Certificate Program – Phase One - CCP Global's 2024 Annual General Meeting - AOSEF's 2024 General Assembly, Working Committee Meeting, special meetings and seminars - ICMA's 56th Annual General Meeting and Conference

1.4.2 Enrichment of TPEx Industrial Clusters

TPEx built a multi-tiered capital market to help companies grow and thrive through the GISA Board, ESB and Mainboard markets. In the meantime, development of diversified industry clusters is made possible through institutional design and counseling mechanisms, thereby enhancing the resilience of Taiwan's capital market and nurturing the future guardians of Taiwan's economy.

GISA Board: Cultivating Innovative Companies and Strengthening Growth Momentum

TPEx established the GISA Board in 2014 with a mission to provide free counseling and financing services to micro, small and medium-sized innovative companies, nurturing start-ups and innovative industries in Taiwan. In response to the government's objectives under the MSME Diversified Revitalization and Development Plan, TPEx actively collected opinions from stakeholders and launched "GISA Plus". Through strengthening incentives, simplifying procedures, providing tiered counseling and enhancing promotion, the mechanisms for each stage from counseling application to formal listing were adjusted to support the entry into GISA Board for more startups, innovative and youth startup teams and companies, and to progressively strengthen their corporate foundations and facilitate their engagement in the capital market. Currently, the GISA Board-listed companies are in the following nine industries: electronic technology, digital cloud, green energy and environment, lifestyle and health, cultural creativity, biotechnology and healthcare, agriculture, forestry, fishery and animal husbandry, social enterprises and others. With the ever-changing nature of industries, the GISA Board-listed companies have developed increasingly diversified operating models. TPEx will also continue to help the companies showcase the features and advantages of Taiwan's innovative products and services based on their development trajectory and the strategy of industrial cluster diversification. These are aimed at highlighting Taiwan startups' technological strengths, and at contributing to the development of industries.

ESB: Harboring Innovation Potentials and Building Prototypical Clusters

The semiconductor, electronics and biotechnology industries have long been key drivers of Taiwan's capital market. With funds from the capital market, they formed complete ecosystems and have become crucial sectors of Taiwan. In recent years, with accelerated global digital transformation and sustainable development, companies involved in digital cloud and green energy and environment have become a non-negligible force in the capital market. TPEx is strengthening campaigns for companies of the emerging industries to join the TPEx market, creating distinctive emerging industrial clusters following the semiconductor and biotech sectors. This will not only benefit healthy development of the industries, but is also expected to moderately reduce the capital market's overreliance on the electronics industry, thereby strengthening market resilience and sustainable development.

By the end of 2024, 14 digital cloud companies and 24 green energy and environment companies were listed on ESB, indicating the industrial clusters are gradually taking shape. In order to support the development of domestic and foreign industries and urge enterprises into the multi-tiered capital market, TPEx will continue to co-host information sessions with intermediary institutions, strengthen interactions with relevant industrial associations and make on-site visits to explore potential quality companies. These efforts are aimed at creating new emerging industrial clusters.

Mainboard: Enhancing Industrial Visibility and Building Flagship Clusters

TPEX established the Industry Chain Information Platform, which includes 30 industries, making it easy for investors to view clusters of main board companies in each industry and to access the basic financial and business information of individual companies in each industry chain. The platform also provides overall industrial information such as introduction to associated industries and government policies, bringing the cluster effect into full play.

A short video was created on February 1, 2024 to promote the Industry Chain Information Platform. The video covers guidance on how to select the industry chains, the sub-industries of the upstream, midstream and downstream supply chains and related government policies, while further inquiries can be made by clicking on the renowned domestic and foreign companies. Listed companies can also use the platform to showcase all their business operations across sectors, management philosophy, product introduction, business performance, awards and recognitions, ESG information, and even links to their financial reports, etc., which serve as a bridge to the investors. The Industry Chain Information Platform not only helps companies stay updated on industrial trends, explore potential partners, and develop new business opportunities, but also allows investors to discover values of the industries and new investment directions.

Complete list of featured industry chains

Traditional Industries and Others	Biotech and Healthcare	Green Energy and Environment	Electronics	Digital and Cloud Services
<ul style="list-style-type: none"> • Electric Machinery • Finance • Cultural and Creative (Gaming) • Golf Equipment • Tourism and Hospitality 	<ul style="list-style-type: none"> • Agricultural-Tech • Genetics and Bio-tech • Pharmaceutical Manufacturing and Development • Medical Device • CDMO 	<ul style="list-style-type: none"> • Green Energy • Circular Economy • Pollution Controlling 	<ul style="list-style-type: none"> • Semiconductor (IC design) • IT/Telecom • Opto-electronic 	<ul style="list-style-type: none"> • E-commerce • Cloud Computing • Artificial Intelligence • Big data

1.4.3 Support for Corporate Sustainable Development

To guide TWSE/TPEX listed companies in their sustainable development efforts, TPEX has continued to drive them toward international sustainable development goals following FSC's Sustainable Development Roadmap, Sustainable Development Action Plans for TWSE and TPEX Listed Companies, and Roadmap for Taiwan Listed Companies to Align with IFRS Sustainability Disclosure Standards.

Guidance toward Net-zero

TPEX has been guiding Mainboard listed companies to disclose GHG inventories and assured information in accordance with the Sustainable Development Roadmap, set carbon reduction targets, strategies, and specific action plans, and also encourages the companies to disclose information on Scope 3 GHG. TPEX and TWSE also commissioned the Business Council for Sustainable Development (BCSD) in 2024 to create the Reference Guide and FAQs on Scope 3 Greenhouse Gas Inventory, which has been published on the TPEX website for public reference. The Foundation of Taiwan Industry Service and BCSD were also commissioned to offer Greenhouse Gas Inventory Workshops to lecture companies on the key contents of the Guidelines and the inventory practices.

Deepened Sustainability Governance Culture

TWSE and TPEX listed companies are required to appoint at least one director of a different gender from 2024 onward when the term of office of directors expires. In 2025, if the directors of either gender account for less than one-third of the board, the company must disclose the reasons and the measures taken in its annual report. In addition, to urge creation of a Sustainable Development Committee (Chief Sustainability Officer, CSO) within listed companies, two sessions of Sustainable Development Committee and Chief Sustainability Officer Forum were held in 2024, in which listed companies were invited to share their perspectives on sustainability governance and the opportunities and challenges surrounding their sustainability actions. The exchange of practical experience was intended to help promote sustainable development in the capital market, strengthen corporate competitiveness in sustainability, and drive new momentum for Taiwan's green journey.



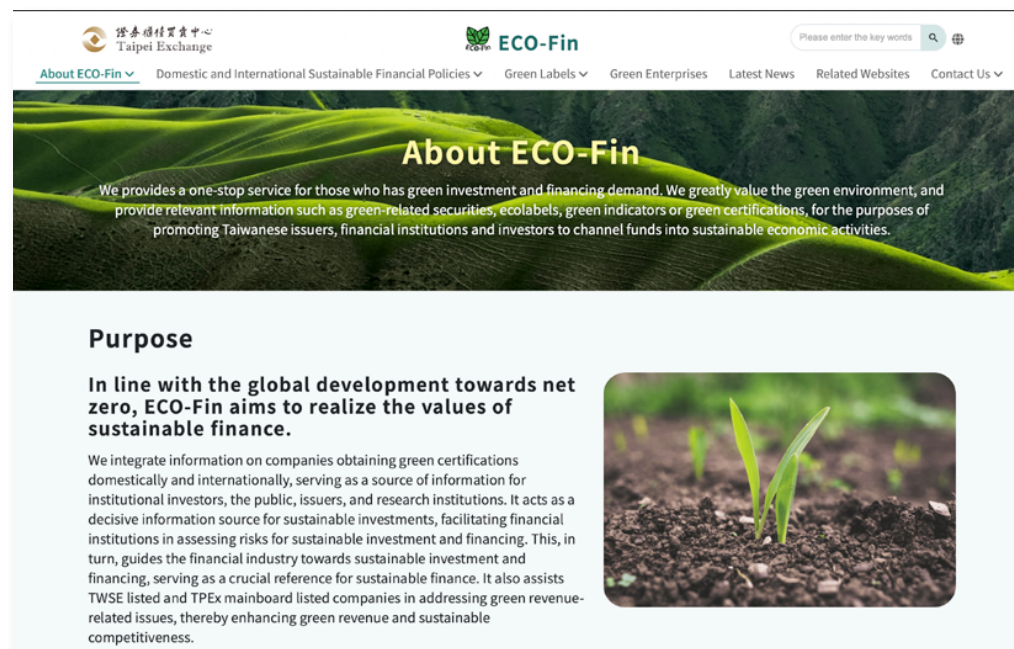
Promotion for ESG Evaluation

In the 11th corporate governance evaluation in 2024, the weight of the “promotion of sustainable development” indicator was increased from 28% to 35%. This was done by incorporating the competent authority’s sustainable development goals for the companies into the evaluation indicators, thereby encouraging and guiding companies to actually adopt sustainable development practices. The aim is to progressively transition corporate governance evaluations into ESG evaluations in 2026 by referring to relevant international standards and evaluation items, and considering Taiwan’s industrial characteristics in the selection of distinct and comparable indicators. The performance of TWSE/TPEX listed companies on each ESG aspect will thus be assessed and provided to investors as a reference for making ESG investment decisions.

Advancement in Sustainability Information Disclosure

TPEX launched the ECO-Fin platform in February 2024, which compiles important green-related labels at home and abroad and publicize the status of TWSE/TPEX listed companies in obtaining the labels. The platform also integrates sustainable finance policies of Taiwan and beyond, as well as information on green securities such as the sustainable bonds, sustainable indexes and commodities in Taiwan. Also included are Nasdaq Green Designations, London Stock Exchange’s Green Economy Mark and information on other overseas green securities, which offer issuers and investors an overview of and important trends in international green finance development.

TPEX and TWSE established the ESG Digital Platform in May 2024 to enable more effective ESG information disclosure and in a uniform format by TWSE/TPEX listed companies, and to encourage disclosure of more diversified sustainability information. In response to the requirement that all TWSE/TPEX listed companies prepare sustainability reports starting in 2025, a Sustainability Report Preparation and Production Function was added to the ESG Digital Platform in 2024. In February 2025, a template for producing sustainability reports was formally launched to help companies improve their efficiency of report preparation and reduce their burden. Global Reporting Initiative (GRI) standards and examples were also provided to enhance the quality of information disclosure, and information sessions were held to help companies learn more about sustainable information disclosure.



The screenshot shows the ECO-Fin platform website. The header includes the Taipei Exchange logo, the ECO-Fin logo, and a search bar. The main banner features a green landscape with the text "About ECO-Fin" and a description of the platform's purpose. Below the banner, there is a section titled "Purpose" which states that ECO-Fin aims to realize the values of sustainable finance by providing a one-stop service for green investment and financing demand. To the right of the text is an image of a small green plant growing out of dark soil.

About ECO-Fin

We provides a one-stop service for those who has green investment and financing demand. We greatly value the green environment, and provide relevant information such as green-related securities, ecolabels, green indicators or green certifications, for the purposes of promoting Taiwanese issuers, financial institutions and investors to channel funds into sustainable economic activities.

Purpose

In line with the global development towards net zero, ECO-Fin aims to realize the values of sustainable finance.

We integrate information on companies obtaining green certifications domestically and internationally, serving as a source of information for institutional investors, the public, issuers, and research institutions. It acts as a decisive information source for sustainable investments, facilitating financial institutions in assessing risks for sustainable investment and financing. This, in turn, guides the financial industry towards sustainable investment and financing, serving as a crucial reference for sustainable finance. It also assists TWSE listed and TPEX mainboard listed companies in addressing green revenue-related issues, thereby enhancing green revenue and sustainable competitiveness.

Alignment with IFRS Sustainability Disclosure Standards

TPEX serves as the convener of promotion and education working group within the taskforce for the Roadmap for Taiwan Listed Companies to Align with IFRS Sustainability Disclosure Standards. A dedicated webpage titled IFRS Sustainability Disclosure Standards Alignment Portal was established which offers the Exclusive Roadmap function. In 2024, the Simulation Roadmap function was launched to help TWSE/TPEX listed companies and those planning to apply for listing to customize individual company's timeline for aligning to the regulations. TPEX also offers practical guidelines and FAQs in accordance with the taskforce's progress in deliberation of sustainable standards, as well as a diversity of promotional resources such as training courses, information sessions, and short videos, in an effort to continuously strengthen and expand functions of the website. These are aimed at assisting companies with early planning and progressive alignment with the IFRS Sustainability Disclosure Standards, and accelerating corporate sustainability transformation and commitments. TWSE/TPEX listed companies with paid-in capital of NT\$10 billion and above are urged to start implementing introduction plans for the IFRS Sustainability Disclosure Standards.

Theme of information session	Number of sessions	Content
Sustainability Report Preparation and Production Function	5	The latest policy requirements were explained to help companies improve the quality of their sustainability reports. Case studies and hands-on practices were offered for members of TWSE/TPEX listed companies tasked to prepare sustainability reports to understand and handle sustainable development. The Sustainability Report Preparation and Production Function on the ESG Digital Platform was also explained in detail.
Sustainability Report Preparation for TPEX Listed Companies	3	Based on TPEX's Handbook on Sustainability Report Preparation and Production, assistance was offered to TPEX Mainboard listed companies creating sustainability reports for the first time on practices such as identification of stakeholders and important topics, collection of sustainability information, and writing of the Sustainability Report .
Internal Control System for Sustainability Information Management	4	A campaign was launched for TWSE/TPEX listed companies to include sustainability information management into internal control and internal audit systems starting from 2025, and to remind companies on how to prepare and produce sustainability reports and introduce IFRS sustainability disclosure standards, etc. The ESG Digital Platform was also introduced during the sessions, with explanation on corporate ESG information disclosure and sustainability report filing.

1.4.4 Expansion of the Sustainable Bond Market

TPEX announced the amended Taipei Exchange Operation Directions for Sustainable Bonds on December 14, 2023 which established the Sustainable Development Convertible (Exchangeable) Bond (EB and CB) mechanism, and expanded the scope of sustainable bonds to include EB, CB and bonds with warrants. These measures allow TWSE/TPEX listed companies to acquire funds for sustainable development, enhance sustainability of the environment, and expand Taiwan's sustainable bond market. TPEX spent more than six months on the preparation and campaigns, visiting 31 companies and five underwriters to promote the new system, followed by the sustainable EB and CB listing ceremony on August 8, 2024. Far Eastern New Century Corporation took the lead in listing Taiwan's first two tranches of green exchangeable bonds with a total issue amount of NT\$2 billion. Century Iron and Steel Industrial Co., Ltd. also listed Taiwan's first green convertible bond with an issue amount of NT\$2.5 billion on November 8, while Taiwan Cement Corporation listed Taiwan's first sustainability-linked convertible bond (SLCB) with an issue amount of NT\$8 billion on December 10. These three companies play pioneering roles in sustainable EB and CB, starting a new chapter for Taiwan's sustainable bond market.

In addition to assisting domestic and foreign companies in issuing sustainable bonds to obtain the funds needed for sustainable development, TPEX is also actively promoting government sustainable bonds. The Taipei City Government (TCG) issued three social bonds totaling NT\$2.5 billion on January 10, 2024, and issued three more totaling NT\$7.5 billion on March 25, 2024. TCG's overall issuance in 2024 was six social bonds totaling NT\$10 billion. The Kaohsiung City Government issued its first green bond totaling NT\$2 billion on January 12, 2024. The issuance of government sustainable bonds provides investors with solid investment targets and enables diversification of issuers in the sustainable bond market. It is hoped that more government agencies can take part in the issuance, thereby enhancing the healthy development of Taiwan's sustainable bond market.

In the future, TPEX will continue to follow the development of international markets and study the feasibility of building a system for new types of sustainable bond products. The new system can expand the ecosystem of sustainable bonds, diversify sources of sustainable investment products, allow Taiwan's sustainable development bond market-related mechanisms and products to be more in line with international standards, and help build a more internationally competitive capital market for sustainable development.



TPEX Sustainable Convertible/Exchangeable Bonds Listing and Accreditation Ceremony

Issuance of sustainable bonds in 2024

	2024 new issuance		2024 accumulated issuance	
	Number of bonds	Amount (NT\$ billion)	Number of bonds	Amount (NT\$ billion)
Green bonds	32	116.10	152	473.53
Sustainability bonds	9	9.09	47	121.10
Social responsibility bonds	11	16.00	33	70.60
Sustainability linked bonds	1	8.00	6	15.90
Total	53	149.19	238	681.13

First Listing of Green Covered Bond

Taiwan's first green covered bond was issued through the Shinhan Bank of South Korea on October 22, 2024, with a total issue amount of US\$ 400 million. The bond was in the meantime listed on TPEX and Singapore Exchange (SGX). This is the first of its kind since TPEX announced on March 7, 2024, the opening of the market for foreign issuers to launch covered bonds in Taiwan, signifying the diversity in Taiwan's bond market and its deepening connection with the international market. The listed green covered bond has a tenor of 5 years, with a floating interest rate, and uses South Korean mortgage claims as the cover pool following relevant provisions of the Korea Covered Bond Laws. As a green bond, raised funds thereof are intended for lending to green investments such as those involving green buildings and renewable energy.

1.4.5 Promote Net-zero and Carbon Neutrality

GHG Inventory Workshops Supporting Corporate Net-Zero Efforts

In coordination with FSC's policies on Sustainable Development Actions Plan for TWSE and TPEX Listed Companies and to assist the listed companies in performing their GHG inventory, and eventually to facilitate their implementation of IFRS Sustainability Disclosure Standards, TPEX worked with TWSE, Taiwan Futures Exchange (TAIFEX) and Taiwan Depository & Clearing Corporation (TDCC) to host five Greenhouse Gas Inventory Workshops in Taipei, Hsinchu, Taichung and Kaohsiung beginning August 2024. In the workshops, professional lecturers provided step-by-step guidance to the audience in a small-class setting. They cover domestic and international trends, latest policies and GHG inventory standards, and case-based practices following the Reference Guide and FAQs on Scope 3 Greenhouse Gas Inventory.

TPEX Commitments and Carbon Neutrality Roadmap in Response to Taiwan 2050 Net-Zero Goals

TPEX actively responds to the Taiwan 2050 Net-zero policy and continues to lead by example, in the hopes of planting seeds in TPEX listed companies, inspiring better practices, disseminating ideas of sustainable development and joining hands with companies to collectively create a sustainable future.

In 2023, TPEX completed its first GHG inventory and checklist, for 2022, and based on ISO 14061-1:2018. In 2024, TPEX introduced carbon neutrality standards and made commitments following ISO 14064-1:2018 and the Guidance on Carbon Neutrality Implementation and Declaration issued by the Ministry of Environment, and also set short-term and long-term carbon-reduction goals with 2023 as the base year. The goals are accompanied by a carbon neutrality roadmap, with plans to conserve energy and reduce GHG emissions through using renewable energy, retiring energy-intensive equipment, enhancing energy efficiency and implementing low-carbon procurement.

For the future implementation of carbon neutrality measures, organizational GHG reduction will be achieved through the above-mentioned reduction measures, while the emissions that still occur will be offset through the purchase of high-quality carbon credits.

TPEX has commissioned BSI to perform ISO 14068-1: 2023 assurance, which after completion will allow TPEX to declare achievement of carbon neutrality for 2024.

1.4.6 Prevention of Financial Investment Frauds

Removal of Fraudulent Investment Advertisements

TPEX actively assisted the competent authority in combating illegitimate investment consulting and collecting fraudulent investment advertisements. Using techniques such as text mining and website analysis, TPEX inspected advertisements on Facebook and websites with high traffic volumes, compiled and reported suspected fraudulent online investment advertisements, and requested the judicial police agencies to promptly remove illegal advertisements. A total of 24,748 online advertisements were reported in 2024, including 21,078 on Facebook and 3,670 on Google, effectively reducing the public's exposure and falling prey to the fraudulent investment information, thus preventing fraud risks. In addition to continued campaigns on prevention of financial investment frauds through diversified channels, TPEX and other securities-related entities are helping with review of cases from the Anti-Fraud Reporting and Inquiry Platform currently being developed by the Ministry of Digital Affairs. For reported cases involving FSC's jurisdiction, TPEX would help determine whether they are fraudulent advertisements, and if so can have them removed as soon as possible. TPEX has also joined forces with other securities-related entities and technological start-ups to combat fraud.

Anti-Fraud Campaigns

TPEX continues to compile information on financial investment frauds, and promotes fraud prevention in a variety of ways in order to raise public awareness.



2024 First Interactive Anti-Fraud Online Game



2024 Second Interactive Anti-Fraud Online Game

Promotional channels	Fraud-prevention accomplishments
Press release	14 anti-fraud press releases
Facebook fan page	35 postings on prevention of financial investment frauds and risk awareness
News channels	Displayed fraud-prevention reminders through tickers on popular TV programs during the Chinese New Year
Videos	Produced one promotional video and one advertorial themed “Beware of AI attacks; Three measures to ensure your asset security”. The native advertising video had 1,000,227 impressions, the digital advertorial was viewed 22,246 times, and the Facebook posting had a reach of 136,125 person-times.
Trivia quizzes with prizes	Organized two online anti-fraud trivia quizzes with prizes, each with 34,799 and 60,548 participants.
Podcast advertisements	Reminded the general public to be vigilant of scams in investment chat groups with dynamic inserts in 288 podcast channels with 290,058 total downloads.
Writing contest	TPEX, TWSE and TAIFEX commissioned the Securities & Futures Institute (SFI) to organize the Prevention of Investment Fraud Writing Contest in order to strengthen campaigns for investors to understand financial management and avoid investment frauds.
Campaign lectures	TPEX and TWSE commissioned SFI to organize 2024 fraud prevention campaign lectures targeting young college students in 75 universities.
Campaigns during physical events	Raised awareness of investment fraud prevention at events such as Fintech Taipei 2024 exhibition, Charity Carnival, SDG Asia, award ceremony of TPEX Financial Elite Camp, investors seminars, listing ceremonies, business performance announcements, Meet Taipei Startup Festival, information sessions on sustainable bond information reporting.
Anti-fraud webpage	Connected to the anti-fraud webpages of the competent authorities, securities-related entities, the National Policy Agency and Ministry of Justice.



CHAPTER 2

MARKET ROBUSTNESS



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2.1 MARKET INNOVATION AND GROWTH

2.1.1 Optimization of Market Mechanisms

TPEX continues to optimize the trading mechanisms and is committed to building a fair, efficient and convenient trading environment to enhance market liquidity, strengthen price discovery, and respond to the expectations of investors and market participants. Given that retail investors account for as high as 70% of the trading value in the TPEX market, TPEX has been actively introducing multiple measures to induce institutional innovation that ensures both fairness and efficiency in the market. To improve trading efficiency, TPEX launched an overarching continuous trading mechanism to enhance quotation transparency and real-time matching.

In the meantime, in order to expand investment targets and enable more flexible portfolio allocation, campaigns for Exchange Traded Fund (ETF) and Exchange Traded Note (ETN) listings were launched to provide investors a convenient one-stop shop for diversified assets and enhance market inclusiveness. For stocks with higher investment thresholds, TPEX launched an intraday odd-lot trading mechanism to lower the entry barriers for high-priced stocks and to encourage young, white-collar workers with modest savings to participate in the capital market. Since the launch of the mechanism, the trading value and the number of investors involved in the trading of odd-lot shares have increased significantly. To further improve the liquidity of odd-lot shares, the call auction intervals of intraday odd-lot trading was shortened to five seconds from one minute beginning December 2, 2024, greatly improving the efficiency of small order matching. To revitalize the stock market and enhance the liquidity of stocks with solid fundamentals, TPEX launched the Market Making Scheme on June 30, 2021. The Scheme has securities dealers play the roles of “market makers” and “liquidity providers” for high-quality TPEX stocks with low liquidity. The market makers continuously quote two-way prices, while the liquidity providers actively engage in trading. This gives investors easier access to the bid/ask price information during trading hours, increases their chances of completing transactions, and enhances the price discovery function and the trading

momentum of the TPEX market. These are expected to help achieve a triple win which benefits investors, securities firms, and the overall market.

In the process of optimizing the mechanisms, TPEX extensively collected and incorporated the opinions of stakeholders and communicated with all parties through the following means:

- Formal correspondence, phone calls, meetings and seminars with government agencies;
- Information sessions for securities firms, intended to assist with their understanding of the mechanisms;
- Seminars, customer service hotline and email for investors, intended for collection of their feedback;
- Official websites and social platforms for provision of timely and transparent channels for inquiries and communication.

TPEX will continue to assess the market needs and trends, improve various trading mechanisms on an ongoing basis, enhance trading convenience and market resilience, and strengthen the foundation for sustainable development of the capital market.



TPEX Holds Joint Awards Ceremony for Various Product Issuance and Trading Competitions

2.1.2 Improved Products and Services

Stock Market

As the main driver of Taiwan's securities market operations, TPEX is committed to developing and promoting multiple financial products and policies. This is expected to help expand the capital market, build a vibrant and sound financial environment, enhance the competitiveness of Taiwan's securities market, and meet investors' needs for diversified products. In 2024, TPEX actively launched various indexes and financial products, as follows:

◆ New Types of Co-Branded Indexes with Sustainability- or Climate-Focused Themes

TPEX signed a co-branded product licensing agreement with ICE Data Indices, LLC, an international provider of index solutions, in November 2024. The future indexes can cover stocks, bonds and multi-assets. TPEX will continue to evaluate and compile new types of indexes that include sustainability or climate themes based on market needs, so as to provide investors with diversified investment options.

◆ Launch of RSPs, Improved Intraday Odd-Lot Trading and Optimized Market Making Mechanism

Currently, 21 securities firms are processing regular savings plans (RSPs). In the future, TPEX will study measures for improving intraday odd-lot trading based on market needs, observe the outcomes of the Market Making Scheme implemented for the TPEX listed stocks, and continuously evaluate and adjust the screening criteria for stock candidates under the Scheme.



TPEX & ICE Co-Branding Product and License Agreement Signing Ceremony

Bond Market

Global issues such as climate change, environmental pollution, resource depletion, social imbalance and wealth inequality have ongoing impacts on the sustainable development of the human society. The concept of sustainable development is gradually disseminated into all aspects of business due to the rise of corporate social responsibility and sustainable management and the innovation of related financial products. In the international financial market, evidence ranges from the booming development of green bonds to the budding and rapid growth of social bonds and sustainability bonds. All market players' common goal is to create an environment for sustainable development by bringing in funds from the capital market.

In line with relevant government policies, TPEX is progressively promoting the development of Taiwan's sustainable bond market. In addition to establishing a green bond market in 2017 and a sustainability bond market in 2020, TPEX also established social bonds mechanism in 2021. A dedicated segment for sustainable bonds was also created, integrating green bonds, social bonds and sustainability bonds. Added to the scope of sustainable bonds were also the government bonds, which allows more issuers to participate in the sustainable bond market. In addition, TPEX established sustainability-linked bonds mechanism in 2022 referencing international financial market standards and trends, in order to expand the scope and diversity of sustainable bond products and provide financing tools for more companies to move towards net-zero carbon emissions and sustainable transformation. To support Taiwan government agencies' issuance of sustainable bonds, TPEX launched government sustainable bonds mechanism for on December 16, 2021, providing a financing channel for government agencies to diversify their sources of financial funds. The issuance of sustainable bonds by government agencies can serve as a market benchmark and signifies the nation's or local government's determination to promote sustainable development policies. It will also help increase diversity among the issuers in Taiwan's sustainable bond market, providing investors with a more solid and risk-diversifying investment option. TPEX also announced on December 14, 2023 amendments to the Operational Directions for Sustainable Bonds, which opened the market for convertible corporate bonds, exchangeable corporate bonds and corporate bonds with warrants to be issued as sustainable bonds. The amendments will benefit diversification of sustainable bond issuers. In the future, TPEX will continue to provide more diversified financing and investment products that are in line with the ESG spirit by referring to the international market trends and based on market needs.

◆Recent Highlights of the Sustainable Bond Market

The number and value of sustainable bonds issued in Taiwan have repeatedly hit new highs, and the annual issuance volume has exceeded **NT\$100 billion** for four consecutive years. This shows that companies in Taiwan are becoming more aware of their social responsibilities and the importance of sustainable transformation, and therefore are making good use of sustainable bond products to raise funds through TPEX.

In view of the fact that Taiwan's small and medium-sized enterprises (SMEs) mostly raise funds by issuing convertible (exchangeable) corporate bonds, TPEX opened the sustainable bond market to these two types of bonds at the end of 2023, which allows the SMEs to raise funds needed for sustainable transformation through issuing bonds. In order to help reduce the issuance costs for SMEs, TPEX launched a program to subsidize assessment institution fees for the issuance of sustainable bonds. During the program timeframe, each issuer of sustainable convertible (exchange) corporate bonds will be provided a subsidy of up to **NT\$350,000**. On the front of government bonds, the Taipei City Government and Kaohsiung City Government issued sustainable bonds in 2024. Local governments' issuance of sustainable bonds is expected to set an exemplary benchmark for the market and drive participation from more companies and government agencies. TPEX will continue to encourage other Taiwan government agencies to join the effort, diversifying the sustainable bond issuers in the market.

◆Adherence to Government Policies

In response to the market's various needs for sustainable investment and financing, and in line with the government's policies such as the **Asian Asset Management Center Project** and the Trillion NT Dollar Investment National Development Plan, TPEX has set "assist companies in sustainable transformation and achieve the nation's net-zero goal" as its vision. Support will continue to be provided for the government and companies to improve their sustainable competitiveness, and funds will be directed into major public constructions and social assistance measures such as long-term care. To strengthen market development, TPEX and TWSE jointly established the Capital Market Service Group in October 2024, with a subsidiary Sustainable Development Bond Team. The Service Group is expected to provide a collaboration platform for interdisciplinary experts and further expand the ecosystem of Taiwan's sustainable bond market.

ETF Market

TPEX opened the market to active ETFs and passive multi-asset ETFs in accordance with the competent authority's policies. The measure is intended to promote the development of Taiwan's asset management market and provide investors with diversified products, thereby transitioning Taiwan into an Asian asset management hub with our unique features. TPEX launched a mechanism for active ETFs and passive multi-asset ETFs at the end of 2024, which facilitates the issuance of new types of ETFs, allowing investors to build their own trading strategies through various combinations of ETFs and meet their asset allocation and risk diversification needs. Meanwhile, an ETF Promotion Team was created to formulate promotion plans, provide consulting services to investment trust companies on index construction, product planning and market mechanisms. The team also actively plans product introductions and educational sessions for investors such as on investment risk awareness.

Product/Asset category	Average daily number of transactions in 2024	Average daily trading value in 2024 (Unit: NT\$ million)
Mainboard stocks	742,556.64	96,084.39
ETFs	93,028.43	13,550.32
ETNs	73.73	2.92
Call (Put) Warrants	27,563.65	782.57

2.1.3 Expansion Of Capital Market

The capital market is a showcase for national economic development and an important channel for corporate financing. It is where the investor funds meet corporate financing needs, and transforms liquid funds into a driving force for the companies' sustainable development. TPEX's purpose is to support the development of emerging companies, and provide them with convenient and efficient financing channels in the primary market, which helps their business to thrive and creates job opportunities and economic momentum. TPEX protects investors' rights and interests while meeting the corporate financing needs. By referencing domestic and foreign market developments, TPEX also reviews and revises relevant regulations and supporting measures at appropriate times and optimizes all mechanisms, in order to create a fair, efficient, innovative, open, diverse and internationally aligned capital market.

Support of Corporate Sustainable Development through TPEX's Multi-Tiered Market

Since its establishment, TPEX has been actively supporting SMEs' entry into the capital market following the global trend, and has set the strategic goal of building a "multi-functional,

multi-tiered full-fledged exchange". Throughout the years, a complete multi-tiered capital market structure was established. Through a phased incubation approach, micro or startup, small and medium-sized and even large enterprises receive assistance with choosing the appropriate segment for listing according to their own scale and development needs. In the meantime, counseling mechanisms, financing channels and appropriate supervision mechanisms allow the companies to continue strengthening their business foundations through the capital market. TPEX's outstanding performance earned it the World Bank's recognition as one of the "exchanges most experienced in supporting SMEs", making it an important, characteristic capital market in the world.

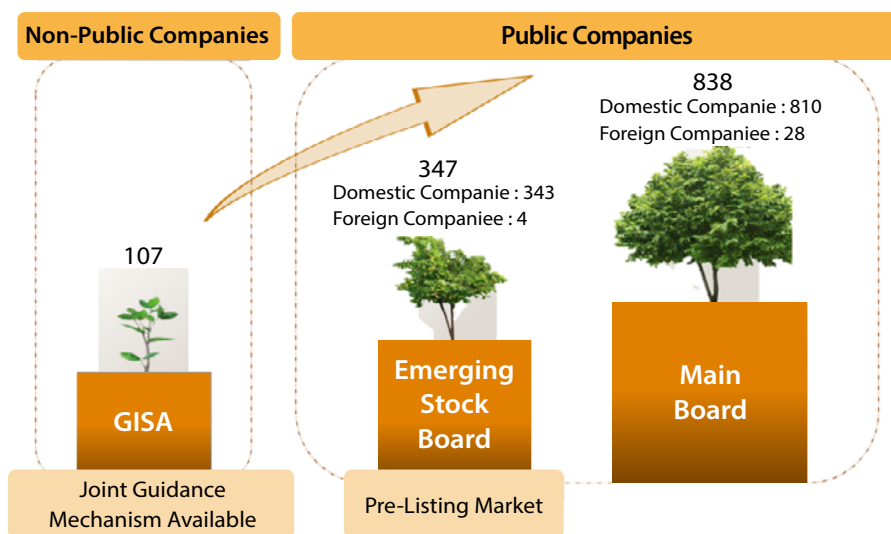
Main Features of Each Segment

TPEX's multi-tiered market structure allows provision of the right financing options to companies of different sizes and development stages. Investors can also select markets and targets that meet their investment needs based on their own financial situation, risk tolerance and investment strategy. The main features of each TPEX segment are as follows:

Segment	Positioning	Attributes	Features of registered (listed) companies
GISA Board	Provision of professional counseling and financing functions	Non-public listing	MSMEs with innovative and creative ideas
ESB	Pre-Mainboard, preparatory market with phased incubation	Public listing	Mainly SMEs with more mature operations, with counseling provided by securities firms
TPEX	Mainboard market	Public listing	SMEs or companies of emerging industries with more mature operations as well as performance and scale of a certain level

Structure and Development of the Multi-Tiered Market

TPEX established a multi-tiered capital market including TPEX (Mainboard), ESB and GISA Board. Issuance-wise, companies of different sizes and development stages can choose the appropriate tier for fundraising. Trading-wise, investors can also select markets and targets that meet their investment needs based on their own financial situation, risk tolerance and investment strategy. According to the statistics, a total of 838 companies were Mainboard-listed, 347 ESB-registered, and 107 domestic companies were GISA-registered by the end of December 2024.



Introduction to GISA Board

To facilitate MSMEs' entry into the capital market, TPEX launched GISA Board in 2014 as an important incubation platform for companies. GISA Board is aimed at increasing visibility and building sound governance mechanisms for MSMEs. Through simplified administrative processes and a counseling mechanism, GISA Board is dedicated to enhancing startup's and MSMEs' participation in the capital market, and in the meantime injecting more diversified innovation momentum into the Taiwan capital market.

As startups grow, they require assistance such as with external funds and marketing channels. TPEX therefore organized business and investment matching events for GISA companies, investors and medium and large-sized enterprises. On the one hand, GISA companies can gain more visibility, expand sales, acquire funds and receive guidance on management and product marketing. On the other hand, the investment institutions and large enterprises are given access to opportunities of innovative investment, collaboration potentials, resource sharing and mutually beneficial win-win.

Considering the bottlenecks most startups encounter in their early stages, including small capital scale, low product visibility, insufficient R&D resources, and incomplete internal control, GISA Board provides the following supporting resources and institutional counseling:

MSMEs' needs	GISA's counseling and financing functions
Business and capital	<ul style="list-style-type: none"> Companies may participate in investment or business match-making meetings with TPEX listed companies, corporate venture capital (CVC) of TWSE/TPEX listed companies or venture capital institutions; Conduct cash capital increase with the general public through GISA's fundraising site; Participate in exhibitions with TPEX sponsorship.
Professional knowledge	<ul style="list-style-type: none"> Both directors and employees can participate in selected basic and advanced courses in management, marketing planning, business law, etc., and have the opportunity to attend advanced elite courses. Companies can receive legal consultation services.
Mechanism establishment	<ul style="list-style-type: none"> During the 2-year counseling period, companies can choose whether to establish a basic accounting internal control mechanism following the accountant's guidance.

GISA Board Performance And Highlights In 2024

Actions	Quantitative Results	Highlights
Encouraged innovative, creative MSMEs to apply for GISA registration	<ul style="list-style-type: none"> Organized and actively participated in 54 GISA-related information sessions. An additional 54 companies registered on GISA and applied for counseling services. Attended the Taiwan Venture Capital Summit and introduced TPEX's multi-tiered market at Meet Taipei Startup Festival. 	<ul style="list-style-type: none"> TPEX continued to build deeper relationships with GISA recommending agencies such as city governments, central government agencies or their subsidiary incorporated foundations or associations, guilds, and business incubation centers of universities, as well as collaborated with counseling entities such as accounting firms. TPEX also hosted GISA information sessions, proactively visited MSMEs with development potentials in Taiwan and urged them to apply for GISA registration.
Participated in important, large-scale themed exhibitions in Taiwan with GISA companies	<ul style="list-style-type: none"> Participated in 2024 InnoVEX, 2024 Meet Greater South and 2024 Meet Taipei Startup Festival with 17 GISA companies Sponsored 22 GISA companies' participation in professional exhibitions in Taiwan 	<ul style="list-style-type: none"> TPEX promoted the GISA Board and supported GISA companies' business development. In order to strengthen counseling resources for GISA companies and increase incentives for others to register, TPEX continued to subsidize GISA companies' booth rental at professional exhibitions in 2024.
Supported quality companies' entry into the TPEX market	<ul style="list-style-type: none"> In 2024, GISA companies such as Intumit, Inc. and Champ-Ray Industrial Co., Ltd. registered on ESB and then applied for Mainboard listing. At the end of 2024, an accumulated 501 companies received GISA counseling, 239 were GISA-registered, and 30 successfully advanced to public issuance. Among them, 28 companies were ESB-registered and 4 Mainboard-listed. 	<ul style="list-style-type: none"> TPEX provided companies counseling for them to become GISA-registered, establish accounting and internal control mechanisms, and improve company fundamentals, thereby supporting GISA companies' advancement toward public issuance. The current GISA structure covers a diversified, innovative-thinking ecosystem, and serves as an agile segment for startups to access external resources and strengthen their own competitiveness, making it a cornerstone for entry into the capital market.
Hosted investment matching events for GISA companies	<ul style="list-style-type: none"> Invited 12 GISA companies with potentials to conduct fundraising presentations. Attracted nearly 80 professional investors from venture capitals, financial institutions and corporate investment departments to engage with GISA companies. 	<ul style="list-style-type: none"> TPEX built Taiwan's "innovation flywheel" and an internationally competitive environment for starting businesses, thereby supporting the innovation and development of Taiwan's new economy and new technology.

Introduction to the Emerging Stock Market

The purpose of establishing the Emerging Stock Market is to institutionalize the trading of unlisted stocks and prevent them from being traded through underground brokers. Through the counseling mechanism of ESB securities firms, investors can trade unlisted stocks safely, conveniently and legally. The Emerging Stock Market has now developed into a market that prepares stocks for TWSE/TPEX listings, and has four major functions, as follows: to guide issuing companies to become familiar with the regulations and operations of the securities market, to provide investors with a channel to understand issuing companies, to enhance transparency of issuing companies' financial and business information, and to provide liquidity and price discovery functions for pre-IPO stocks. Under the current mechanisms, companies that have traded on ESB for six months and above, or foreign companies that have not registered on ESB and have been under a securities firm's TPEX listing counseling for six months and above, can apply for TPEX listing.

In order to create a friendlier market environment and expedite IPOs, TPEX consolidated the ESB and Pioneer Stock Board (PSB) in 2024. Companies are also allowed to concurrently apply for ESB registration and file for public issuing, and can choose between general or simplified public issuing, which can shorten the preparation time by more than 3 months, a significant reduction on the timeframe for companies to enter the capital market. In addition, foreign issuers applying for ESB registration must concurrently file for public issuing, and may also choose between the general or simplified public issuing mechanisms.

ESB Performance And Highlights In 2024

Actions	Quantitative Results	Highlights
Allowed concurrent application for ESB registration and filing for public issuing	Additional 92 companies applied for ESB registration, among which 54 concurrently filed for public issuing.	Companies concurrently applying for ESB registration and filing for public issuing can reduce ESB preparation timeframe by roughly 3 months. For those opting for simplified public issuing, they will submit fewer application documents than if going through general public issuing, which effectively reduces time and costs spent on preparing company accounting records and building internal control mechanisms, thereby accelerating the startups' entry into the capital market.

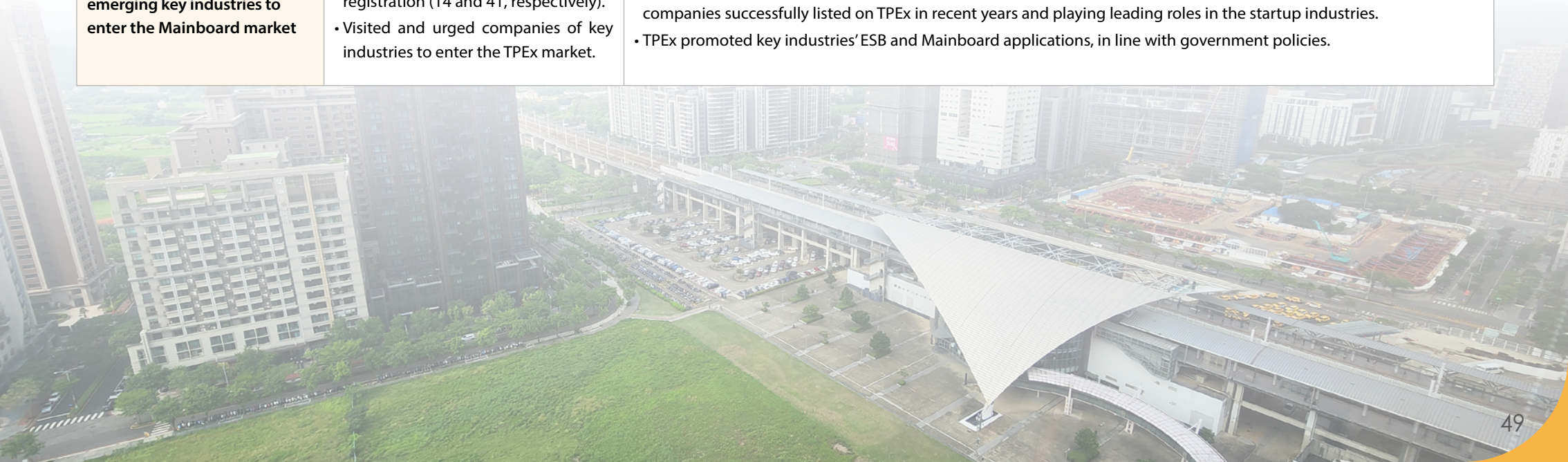


Introduction to the Mainboard Market

The Mainboard stock market is the foundation for TPEX's multi-tiered market structure. Its main purpose is to support emerging high-tech industries and SMEs with mature operations and certain performance level and scale to be listed and raise funds in the capital market. The Mainboard stock market sets rules on the applicant companies' profitability, stock dispersion and years in operation. In conformity with the government's policy to promote the technological industry, and to support the development of emerging technological businesses while safeguarding the investors' rights and interests, the following rules apply to companies with short years of operation or performance that is not yet in full play: If a company has been evaluated by the relevant central authority-in-charge as a technological business, agricultural technological or startup business, or cultural and creative business, and with market potentials, it may be exempted from the provisions on profitability and years in operation. In addition, in order to provide startups with flexible and diversified channels for TWSE/TPEX listing, TPEX has also added various conditions for listing, in order to support entry to the capital market for companies that have demonstrated operational performance and growth potential but have not yet met the profitability requirements. This measure is aimed at strengthening the financing momentum for the companies.

Mainboard Performance and Highlights in 2024

Actions	Quantitative Results	Highlights
Enhanced promotion for emerging key industries to enter the Mainboard market	<ul style="list-style-type: none"> • Drove 55 companies of key industries to apply for Mainboard listing and ESB registration (14 and 41, respectively). • Visited and urged companies of key industries to enter the TPEX market. 	<ul style="list-style-type: none"> • TPEX actively supported emerging, key industries' entry into the capital market. Examples include SaaS company 91APP, third-party payment company ECPay, and AI healthcare company EverFortune.AI, which are all emerging technological companies successfully listed on TPEX in recent years and playing leading roles in the startup industries. • TPEX promoted key industries' ESB and Mainboard applications, in line with government policies.



Highlighted Actions Driving Domestic and Foreign Companies' Mainboard and ESB Listings (Registration)

Quantitative Results

Domestic companies

- 12 companies of key industries became TPEX-listed and 41 applied for ESB registration.
- TPEX conducted 28 information sessions on its domestic and international businesses, with accumulated 142 outbound visits to and inbound visits from companies in Taiwan and beyond.
- TPEX co-hosted TPEX/ESB listing (registration) information sessions with intermediary institutions, attended seminars or forums to introduce the TPEX multi-tiered market, totaling 24 events. One-on-one interviews were also conducted with certain participating companies to understand and assist with solution of their corporate issues.
- TPEX continued interaction or collaboration with the Industrial Development Administration (Ministry of Economic Affairs), Ministry of Digital Affairs, Institute for Information Industry and other government agencies, and discussed efforts for quality companies to enter the capital market.

Foreign companies

- TPEX co-hosted four Foreign Companies' TPEX Listing Information Sessions with Taiwan government's overseas missions, overseas Taiwanese business associations and intermediary agencies, to introduce advantages of the TPEX market, and visited high-quality Taiwanese companies in Vietnam, Japan and Malaysia.
- TPEX established a dedicated point of contact servicing foreign companies pursuing listing in Taiwan, and handling contacts with and business promotions to overseas companies. TPEX has a dedicated webpage titled "Foreign Issuer Listing (Registration) on the TPEX/ESB" which helps investors, as well as foreign issuers and intermediaries intending to register on ESB or apply for TPEX listing, to understand the features and advantages of Taiwan's TPEX market and the relevant regulations for TPEX/ESB listing (registration).

Highlights

- The domestic business information sessions enabled more companies interested in entering the capital market to timely understand common issues during TPEX listing applications, which helps with their solution and preparation.
- In line with government policies, TPEX strengthened collaboration with external entities such as the authorities-in-charge and collectively promoted quality companies' and key industries' application for TPEX listing and ESB registration.
- TPEX examined regulations on TPEX/ESB listing (registration) applications at appropriate times, to ensure sound review mechanisms, while also providing external parties with regulation consultation services.
- TPEX held overseas information sessions to encourage high-quality overseas companies to pursue TPEX listing, and provided appropriate assistance and responses to companies having questions during the IPO preparation process.
- TPEX has strengthened collaboration with external entities such as Taiwan government's overseas missions, overseas Taiwanese business associations, local chambers of commerce, and overseas branches of financial institutions. A dedicated point of contact was also established to provide listing services for foreign companies, and to jointly promote quality overseas companies' application for TPEX/ESB listing (registration).
- Organized information sessions or attended those hosted by intermediary institutions, or joined them on visits to domestic and foreign quality companies.

2.1.4 Broadened Investment Participation

TPEX is dedicated to building a diverse, inclusive and resilient capital market. Through multiple strategies such as product innovation, mechanism optimization and educational promotion, it aims to enhance the participation and financial literacy of investors of different attributes and groups, thereby bring to life the spirit of inclusive finance and realizing the vision of sustainable market development.

Education- and Promotion-Enabled Deepening of Investor Participation and Literacy

In 2024, TPEX launched multiple educational and promotional events, in order to enhance the investors' understanding of market mechanisms and product characteristics.

- **27 investor seminars:** The seminars covered topics such as TPEX Mainboard and ESB stocks, ETFs, ETNs, futures and the gold platform, providing guidance on the mechanisms and knowledge on actual operations.
- **8 financial education and wealth management courses:** In line with promotion of financial knowledge accessibility, TPEX participated in retirement system information sessions hosted by the Ministry of Labor and helped improve the workers' financial planning and wealth management capabilities.
- **Media campaigns:** Market mechanisms and products were introduced through print and digital media platforms to enhance the public's trust and understanding of the capital market.

Innovative Promotion of ESG Products Leading Sustainability Engagement

In response to investors' increasing attention to sustainable investments, TPEX actively promotes participation in and education on ESG-focused products. In 2024, TPEX launched an ESG ETF trading incentive campaign and Lucky Draw for the Earth, which used gamified interactives to provide entertaining educational resources to enhance investors' awareness of ESG products and encourage their involvement therein.



Bond ETFs - Marked Popularization Results and Historic High Participation

TPEX has made remarkable achievements in promoting the popularization of bond ETF products. Natural persons' participation in the investments were effectively boosted through measures such as investor trading incentives, securities firms' competitions and educational campaigns. The following results show that the bond ETF products added to the depth and stability of the market, while providing investors with more diversified and low-risk asset allocation options. They reflect realization of the inclusiveness goals of the financial market.

- The average daily transaction value of bond ETFs reached **NT\$13.316 billion**, with an **annual growth rate of 163%**.
- The proportion of transactions by natural persons rose to 39%, showing significant growth in market participation by individuals in the general public.
- The number of transactions reached **2.45 million**, of which those by natural persons increased by 84% year-over-year, ranking the top among all types of investors.
- The issuance scale of TPEX listed bond ETFs is close to **NT\$3 trillion**, ranking **1st among Asia-Pacific exchanges** and **7th in the world**, indicating the international competitiveness and maturity of Taiwan's bond ETF market.

Strengthened Mechanism Alignment and Market Communication

In order to enhance the transparency of the bond market mechanisms and respond to the market's changing needs, TPEX actively hosted events in 2024 by referring to international mechanism designs and trends. The events included information sessions on the mechanisms and visits to the issuers and intermediaries. Communication was deepened both ways through the following means:

- Enable market participants' deeper understanding of key points in the TPEX mechanisms through direct dialogues and information exchanges.
- Collect opinions from the market as a reference for ongoing revision and optimization of the mechanisms.



2.2 FOSTERING SUSTAINABLE MARKETS

2.2.1 Promotion of Green Finance

With green finance becoming a critical global development topic, regions or countries are developing their green finance in the hopes that the mechanisms will guide global funds into environmentally friendly investments and those responding to climate change, which helps to suppress or combat global warming-induced threats to humans and damages to the environment. TPEX progressively built market mechanisms for Taiwan's sustainable bonds following FSC's Green Finance Action Plan 1.0 and 2.0, Corporate Governance 3.0 and Capital Market Roadmap. It also supports the companies' issuance of sustainable bonds, which facilitates their involvement in green investments and economic transformation with environmental benefits. However, the sustainable bond issuers in Taiwan are still mainly the financial institutions and large companies. For companies in general, their limited number of investment plans meeting sustainable requirements, coupled with the additional external evaluation cost required for sustainable bond issuance, constrains their issuance opportunities and leaves much room for growth in their issuance scale. Meanwhile, considering the convertible corporate bond issuers being mainly small- and medium-sized TWSE/TPEX listed companies, TPEX announced the amended Taipei Exchange Operation Directions for Sustainable Bonds on December 14, 2023, which includes convertible corporate bonds, exchangeable corporate bonds, and corporate bonds with warrants in the scope of sustainable bonds. The inclusion is expected to help expand the scope of sustainable finance from large companies to SMEs, supporting TWSE/TPEX listed companies to acquire funds for sustainable transformation.

TPEX intends to promote financial mechanism-enabled sustainable products and green finance, as a way to raise Taiwan companies' and investors' awareness of the environmental, social and corporate governance topics. The effort is expected to create a virtuous cycle in which investments and industries are sustainability-oriented, ensure Taiwan's achievement of the carbon reduction and sustainable development goals, and lead to a triple win of economic growth, environmental protection and social progress under implementation of

sustainable finance. TPEX will continue to expand the categories of sustainable bond products, open the market to more diverse issuers, and provide more diversified responsible investment options. In the meantime, strengthening of the information disclosure quality on sustainable bonds will be ongoing, in order to provide market participants more reference information on sustainable bonds, and thereby expanding the issuance scale of the market. In addition, TPEX will also continue to work with international organizations and boost the visibility of Taiwan's sustainable bond market.

In 2024, TPEX conducted a total of 17 visits and receptions involving quality companies in the green energy and environment sector were made, eight such companies registered on ESB, and one applied for TPEX listing. By the end of 2024, a total of 24 green energy and environment companies were registered on ESB.

Green Finance Publicity and Promotional Activities in 2024

- Co-hosted the Digital Net-Zero Forum – New Pathway for Future Industries with the Institute for Information Industry (III), and co-hosted the Leading the Future with Digital+ Conference with Taiwan Internet and E-Commerce Association (TiEA) and PwC Taiwan.
- Participated in Taiwan Information Security Association (TWISA)'s 2024 annual congress and the launch ceremony of the Taiwan Digital Defense Consortium (TWDDC). Introduced to the green energy companies TPEX's multi-tiered market, and answered questions about TPEX listing and ESB registration.
- Organized information sessions on sustainable convertible (exchangeable) corporate bonds, and promoted the sustainable bond mechanisms.
- Organized four sessions of 2024 Bond Market Briefings, in which TPEX introduced the sustainable bonds mechanisms to issuers, underwriters and evaluation institutions.

2.2.2 Promote the Sound Development of Mainboard/ESB Companies

To protect the investors and also safeguard shareholders' rights and interests, TPEX continues to strengthen supervision on all fronts. The implementation of various supervisory measures is expected to lead to the establishment of an efficient platform that supports healthy development of Mainboard/ESB companies while mitigating investment risks for investors. The financial and business supervision of Mainboard/ESB companies includes routine document-based or on-site audits of their financial reports and internal control mechanisms, exceptional audits of special cases, periodic or spot audits of TPEX listed companies' information reporting or material information.

Almost unaffected by COVID-19, the performance briefings of Mainboard/ESB companies in 2024 were all in-person, while online live streaming was also provided to facilitate access to the updates on TPEX listed companies for more investors. Through information disclosure and other interactions, the TPEX listed companies are urged to ensure legal compliance and strengthen corporate governance. TPEX will continue to reform governance of and supervision on TPEX listed companies, such as by reviewing and revising supervisory regulations for the TPEX market, promoting TPEX Mainboard/ESB companies' corporate governance (including sustainability information disclosure), and building good, effective internal control mechanisms for sustainability information management, by following the competent authority's policies, the recently adopted IFRS and Sustainability Disclosure Standards. TPEX also continues to conduct corporate governance evaluations, commend excellent companies, optimize corporate governance evaluation indicators for better differentiation, and implement improvement plans for various corporate governance indicators following policies of the competent authorities, in order to establish a sound corporate governance mechanism. Functions of the board of directors, independent directors and various functional committees of TPEX listed companies are also reviewed and strengthened.

Supervisory Measures And Major Results In 2024

UNIT: NUMBER OF COMPANIES

Supervisory measures	ESB companies	Mainboard companies
Financial report review		
Formality review	All	All
Substantive review	33 companies	214 companies
Exception management analysis in accordance with regulations upon occurrence of material incidents	0	401
Audit of expert opinion letters	4	10
Audit of internal control implementation	24	92
Analysis and Audit of companies meeting criteria of financial and business / trading early warning indicators	18	8
Audit of material information	63	216
Notification for companies to disclose material information for those announced as attention securities and meeting TPEX's criteria for disclosure of recent financial information	202	354
Review of annual report	68	188

Actions Targeting Mainboard Companies

Actions	Highlights	Benefits
Corporate governance evaluation	Updated TPEX listed companies on recent corporate governance- and ESG-related amendments	Accelerated promotion of corporate governance among TWSE/TPEX listed companies' in line with the Sustainable Development Action Plans for TWSE and TPEX Listed Companies, supporting their healthy development and boosting market confidence.
Information sessions on TPEX listed companies' required practices	Four topics: <ul style="list-style-type: none"> • Recently amended regulations on material information • Reminders on information reporting • Common deficiencies in sustainability reports • Important internal control topics (including case studies on deficiencies identified in cyber security internal control audits) 	Shared cases of common deficiencies as a way to support TPEX Mainboard/ESB companies' legal compliance and information disclosure, and to strengthen their internal control/internal audit mechanisms and the quality of their corporate governance.
Financial report disclosure campaigns	Co-hosted four campaign sessions for 2024 IFRS Adoption with TWSE, Taifex and TDCC in northern, central and southern Taiwan. The sessions were attended by a total of roughly 3,545 finance- or accounting-function personnel of TWSE listed companies, TPEX Mainboard/ESB companies and publicly issuing companies. The video recordings of the sessions were also uploaded for online viewing.	Helped companies understand recognized and applicable practices of the new IFRS standards and its future development trajectory.
Advancement in sustainability information disclosure	<ul style="list-style-type: none"> • Hosted four sessions of Internal Control System of the Management of Sustainability Information Conference in northern, central and southern Taiwan to urge TWSE/TPEX listed companies to establish internal control and internal audit mechanisms for sustainability information management beginning 2025. • Hosted five sessions of Sustainability Report Preparation and Production Function Advocacy Meeting for TWSE and TPEX Listed Companies in northern, central and southern Taiwan covering "Requirements for Sustainability Report Preparation and Guidelines on Material Topic Disclosure," "Report Review Mechanism and Common Deficiencies," and "Instructions on the Report Production Function." • Hosted three sessions of Sustainability Report Practice Course for TPEX-Listed Companies in northern, central and southern Taiwan and introduced TPEX resources available for supporting TPEX listed companies' production of sustainability reports. 	Provided in-depth analysis of sustainability information practices, and effective tools and suggestions, helping companies enhance the quality of their sustainability information disclosure.
Deepening of corporates' sustainable governance culture	Hosted the Sustainable Development Committee and Chief Sustainability Officer Forum and promoted establishment of a Sustainable Development Committee (CSO) within TWSE/TPEX listed companies.	Invited companies to share their sustainable governance perspectives and opportunities and challenges surrounding sustainability actions. The exchange of actual experiences helped further sustainable development of the capital market and strengthen the companies' sustainable competitiveness.

Actions Targeting ESB Companies

Actions	Highlights	Benefits
Information sessions and seminars	<ul style="list-style-type: none"> • Information reporting course for ESB companies: This course was conducted through on-site presentations or video recordings uploaded to the TPEX website for companies to view. The course covered recent amendments to the regulations including those of material information and information reporting practices. • Courses for intermediary institutions: Lectures on the recently amendments to TWSE/TPEX listing-related regulations, review focuses in TPEX listing and ESB registration applications, and case studies and discussions. • Information sessions for securities firm personnel • Support for access to the latest and comprehensive market information 	Assisted ESB companies to understand the latest key amendments to TPEX laws and regulations, while ensuring legal compliance and information disclosure, in order for companies to implement legal compliance and internal control/internal audit mechanisms, strengthen the quality of their corporate governance, and protect the rights and interests of investors.
Industry Chain Information Platform	<ul style="list-style-type: none"> • As of the end of 2024, 39 ESB companies were included on the lists of relevant industries. • Through quarterly media coverage of forward-looking and highlighted industrial value chains, the featured industrial clusters were promoted to enhance visibility of individual companies therein and drive development of the industries. 	Periodically provided updates on industrial trends and backgrounds, and urged Mainboard and ESB companies to update their information, which helps investors better understand the issuing companies' positions upstream, midstream or downstream in the value chain.
Supervision on the finances and business of ESB companies	<ul style="list-style-type: none"> • Performed analyses and audits for 18 ESB companies with conditions meeting criteria of the financial and business early warning indicators. • Made 202 announcements of attention ESB securities • Performed formality reviews of ESB companies' financial reports in accordance with regulations, and also completed substantive reviews of financial reports for 33 ESB companies. • Audited implementation of internal control mechanisms for 24 ESB companies. • Conducted spot audits on the material information disclosure of 63 ESB companies. 	<ul style="list-style-type: none"> • Based on the resolutions of the daily financial and business crisis early warning meetings, collected and analyzed changes in the company fundamentals in real-time, held management meetings at appropriate times, and effectively monitored high-risk ESB companies. • Supervised financial and business abnormalities (including illegal cases) and managed both general and exceptional situations of ESB companies, in addition to taking appropriate preemptive actions on situations that may lead to operational crises. • Conducted spot audits on ESB companies' implementation of internal control mechanisms, in order to ensure the functioning of corporate internal control and to track improvement thereof. • Strengthened management of ESB companies' material information and press conferences, urging them to timely disclose material information in accordance with regulations, and ensuring their information transparency and correctness.
Real-time disclosure of material information and the information-triggered trading halt mechanism	<ul style="list-style-type: none"> • When the media coverage of ESB companies meet the criteria of material information or if the coverage deviates from the fact, TPEX would post relevant explanation on the Market Observation Post System (MOPS). The action was taken 132 times for ESB companies in 2024. • Ten material information press conferences were held by ESB companies in 2024, with trading halt for four companies. 	<ul style="list-style-type: none"> • Reminded the investing public to pay attention to the expected resolutions or information of ESB companies that upon disclosure may have a significant impact on shareholders' equity or securities prices. • Provided broad and fair opportunities for the dissemination of material information by ESB companies, and allowed investors time to digest the information, thereby reducing information asymmetry and enhancing the fairness of the securities market.

2.2.3 Maintenance of Market Order

TPEX continues to implement all supervisory regulations of the securities market, to ensure the fairness and order of the trading market and to protect investors' rights and interests.

Issuance

- When major finance- and business-impacting incidents occur in TPEX Mainboard/ESB companies, they may cause abnormal fluctuations in the stock prices. To minimize information asymmetry, TPEX established a trading halt mechanism by referencing the practices of international major securities markets. The Mainboard/ESB companies are required to apply for trading halt a day before (on T-1 day) if they plan to disclose specific types of material information such as merger, spin-off, bankruptcy or reorganization before 5:00 pm on a stock trading day (T day). Trading can resume on T+1 after the information is released. The trading halt mechanism prevents investors from making wrong decisions due to lack of information before complete information is disclosed by the Mainboard/ESB companies. This helps build a fair trading exchange market, allowing more comprehensive information disclosure and trade-related regulations.
- The Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEX Listed Securities requires TPEX listed companies to post material information on MOPS at least two hours before the start of trading hours on the next business day of its occurrence. In cases where TPEX discovers TPEX listed companies have material information that should be disclosed but did not do so, are linked to media coverage that should be clarified, or disclosed incomplete material information, the companies would be required to make the announcement within two hours if they receive inquiry from TPEX before 5:00 pm on a business day. If TPEX inquiry is received after 5:00 pm of a business day or on a regular day-off, the announcement should be made no later than two hours before the start of trading hours on the next business day. In emergent contingencies or major incidents, material information should be disclosed within the timeframe mandated by TPEX, to ensure the investing public's timely access to the information. The procedure also requires certain important companies to organize a material information press conference, and that the meeting time is to be notified to the media by TPEX. If the meeting will be conducted in a way that allows investors' attendance, the company should announce the meeting time, and TPEX will also publicize the meeting information on its website.
- On a daily basis, TPEX notifies Mainboard/ESB companies by phone and requires them to post an explanation on MOPS on the same day if there is media coverage of information that meets TPEX's definition of material information and could impact the company's securities trading, or if the information deviates from the facts.

Important Actions and Results in 2024

- A total of 101 notifications for Mainboard companies to post material information on MOPS as clarification on media coverage.
- A total of 132 notifications for ESB companies to post material information on MOPS as clarification on media coverage.

Trading

- To avoid acute market fluctuations, causing serious deviation in trading prices, the following measures are taken.
- **Mainboard stocks:** During the period from the first matched trade of a security during the current session until five minutes prior to market closing, if any execution price as test-calculated prior to each matching fluctuates beyond 3.5% of the reference price, TPEX shall postpone the matching of the security for two minutes, and continue to accept entries, cancellations, and changes of trading orders for that security. Matching will then proceed by call auction at the conclusion of the postponement period.
 - **Emerging Stocks:** If during the trading hours for a given business day, the weighted average trading price for a stock is 50 percent or more above or below the weighted average trading price of the preceding business day, TPEX shall halt trading of the stock until the close of trading hours for the given business day.

The duration and number of times of trading interruptions and trading halts in 2024

Scenario	Stock type	Times	Duration
Information-triggered trading halt following application by the company	Mainboard	19 times	171 hours
	ESB	4 times	24 hours
Trading halts due to abnormal volatility (instant price stabilization measures)	Mainboard	22,521 times	45,042 minutes ^{Note}
Trading halts due to abnormal volatility (trading halt mechanism due to abnormal stock price fluctuations)	ESB	1 time	353 minutes ^{Note}

Note: Daily trading hours of Mainboard stocks (including block paired trade and non-paired trade) are from 8:00 am to 5:00 pm (9 hours), daily trading hours of ESB stocks are from 9:00 am to 3:00 pm (6 hours).

The TPEx market surveillance system mainly includes the surveillance and early warning operations and auditing of illegal transactions.

- **Surveillance and early warning:** For securities traded at abnormal prices and volumes, TPEx announces attention to trading information and disposition measures. On a daily basis, TPEx announces on its website securities meeting criteria for attention to trading information. If a security meets criteria for attention to trading information for multiple days and thus meets criteria for disposition, TPEx will implement advance collection of funds and securities and extended matching time to remind investors of trading risks.
- **Auditing of illegal transactions:** TPEx audits abnormal securities and reports them to the competent authorities and judicial agencies if suspected illegal manipulation or insider trading are identified, in order to protect the investors and maintain fairness in the market. TPEx also periodically educates listed companies and securities firms, for insiders of Mainboard and ESB companies to strengthen their legal awareness and their understanding of obligations and violation-related responsibilities under the securities and exchange regulations, thereby preventing illegal transactions in the securities market.

Important Actions and Results in 2024

- For Mainboard securities, 569 were announced for attention to trading information for a total of 3,787 times; 183 securities were announced for dispositions for a total of 338 times.
- For ESB securities, 101 were announced for attention to trading information for a total of 204 times; 9 securities were announced for dispositions for a total of 13 times.
- TPEx held six workshops on the prevention of illegal transactions for securities firm personnel and five workshops on Mainboard/ESB companies' insider stock ownership and illegal transaction prevention.

The trading system maintained regular operations without service interruptions.

TPEx continues to amend relevant regulations and adjust the early warning system based on products, trading mechanisms, and market development, to alert investors of the trading risks. On the front of illegal transaction audits, surveillance technology will be used to enhance TPEx's market supervision functionality and strengthen audits for prevention of illegal transactions. TPEx will also continue to collaborate closely with the competent authorities and judicial agencies on organization of meetings or case studies, and share audit experience and exchange views on illegal trading cases. In addition, resources of securities-related entities are integrated with a sharing mechanism which enables periodic information exchanges and extensive collection of views and suggestions, so as to enhance capacity in market monitoring and auditing for illegal activities.

2.2.4 Stabilized Operations of Securities Firms

As the securities market develops, TPEX progressively adjusts policies on securities firms in order to maintain stable operation of the securities market.

Routine audits

In accordance with the reform plan for auditing of securities firms and the principle of differentiated management, TPEX works with TWSE to perform audits on the finances, business, internal audit, and other operational aspects of securities firms. Audits will also be conducted on securities firms that only engage in equity crowdfunding business, those that only engage in security token offerings (STO), those of brokerage businesses for trading and exchanging beneficial certificates of funds, and financial institutions that only engage in bond business and leverage transaction merchants.

Special audits

TPEX conducts TPEX market-related special audits based on Article 7 of the Taipei Exchange Operation Rules for Audits of Securities Firms or Leverage Transaction Merchants and Follow-up, Assessment, and Guidance With Respect to Deficiencies.

Risk Management Assessments of Securities Firms

TPEX selects securities firms that simultaneously operate securities brokerage, underwriting, and proprietary trading as assessment subjects, and agrees with TWSE on the division of assessment tasks in the annual assessments. Since 2023, the climate change theme has been included in the evaluations, in which the securities firms' implementation of relevant practices was examined.

In addition to continued implementation of various audit and assessment mechanisms for securities firms, TPEX also follows the Financial Cyber Security Action Plan of the competent authority for routine audits of securities firms' cyber security. TPEX urges securities firms to implement the measures, follow the graded protection requirements, apply critical patch updates, and continue to strengthen their protection mechanisms, which are prioritized in the cyber security audits of securities firms. Regarding risk assessments of securities firms, TPEX will timely revise the Risk Management Assessment Operation for Securities Firms - Risk Management Implementation Sampling Report and the Risk Management Mechanism Self-Inspection Form for Securities Firms. The revisions aim to facilitate the securities firms' self-inspections and TPEX's and TWSE's risk management assessments of the securities firms, thereby taking the assessments to the next level.

In 2024, TPEX conducted **12** routine audits on securities firms, **20** on cyber security, **14** on financial institutions engaged in bond business, and **5** on anti-money laundering. TPEX also completed tracking and improvement of deficiencies identified in the audits, and sent data for TWSE's compilation of a summary report, which was submitted to the competent authority.

In addition, TPEX also conducted **7** risk assessments of securities firms, **5** routine audits on leverage transaction merchants, **1** routine audit on a securities firm of brokerage business for trading and exchanging beneficial certificates of funds, **15** quarterly screening audits on underwritten auctions and book building, **14** routine audits on tax cut for risk-hedging warrant trading and **89** other special project audits.



2.2.5 Protection of Investor Rights and Interests

While innovating the mechanisms and products, and meeting investors' and businesses' needs, TPEx also works closely with the competent authority and implements supervisory regulations of the securities market based on the principles of investor and shareholder protection. Through various supervisory measures, TPEx helps Mainboard/ESB companies solidify their corporate mechanisms and improve transparency in their information disclosure, and provides a variety of services and platforms to enhance companies' visibility and elevate their international standing, facilitating their fundraising. TPEx also continues implementing and strengthening various mechanisms such as market management, trading and clearing, creating an open, transparent and sound TPEx market in which investors and shareholders are protected and the general public's investments are more secure.

Policies Protecting Investor and Shareholder Rights and Interests

TPEx ensures the fairness and order of the trading market and protects investors' rights and interests through promoting corporate governance, assisting the building of platforms for direct communication between the companies and investors, continually enhancing Mainboard/ESB companies' information transparency, and supervising their finances and business.

When a TPEx listed company violates the regulations, TPEx may send an official notification requiring improvements, include the company in a periodic announcement on the Key Financials and Transactional Information Section of the MOPS , impose a default fine, change its stock trading practices, or halt its securities trading, depending on the severity of the violation. If the incident involves violation of the Securities and Exchange Act, the case would be transferred to the Securities and Futures Bureau, FSC for administrative penalty. If illegal activities, insider trading or stock price manipulation are involved, the case would then be transferred to the Investigation Bureau, Ministry of Justice or the District Prosecutors Office.



Measures	Targets	Benefits
Promotion of relevant mechanisms and new products	TPEX listed companies, securities firms and investors	<ul style="list-style-type: none"> • Co-hosted six information sessions on net-zero buildings with the Architecture and Building Research Institute, Ministry of the Interior and participated in nine ESG- or sustainable bonds-related seminars, actively promoting sustainable bonds and introducing green buildings as a viable investment target for green bond issuance. • Hosted six information sessions on the new trading mechanisms and related services of the TPEX market for personnel of securities firms. The sessions focused on the important services and the latest regulatory amendments, as well as the latest and real-time market information. • Hosted 27 investor seminars covering the TPEX trading mechanism (including Mainboard/ESB securities), indexed products such as passive ETFs (including multi-asset ETFs), ETNs, index futures, active ETFs and the TPEX Gold Trading Platform. • Co-hosted three in-person institutional investor conferences overseas with Mainboard companies, in which local professional institutional investors were involved.
Protection measures	Investors and shareholder	<ul style="list-style-type: none"> • To enhance Mainboard companies' transparency and openness in information disclosure, TPEX amended relevant regulations and required all Mainboard companies to organize or be invited to at least one institutional investor conference within Taiwan beginning January 1, 2025. • Supervisory mechanism for total loss-absorbing capacity (TLAC) international bonds, and information disclosure mechanism on the dollar-denominated fixed-rate non-callable international bond theoretical price.
Services	Investors	<ul style="list-style-type: none"> • TPEX established a dedicated consulting line for ESB trading, and a dedicated line and email for investor services. A dedicated personnel is assigned to timely answer calls on the lines or to transfer them to contact persons within relevant departments. Most inquiries received timely resolution. • The dedicated lines received a total of 1,482 calls in 2024, with 744 through the ESB trading consulting line and 738 through the investor service line. Of the 549 emails received through the investor service mailbox, 100% were transferred to departments relevant to the inquiries and have been responded to.
Performance briefings of Mainboard companies	Investors	Hosted 24 briefings with featured TPEX listed industries as themes and invited participation from the three major institutional investors, four major funds and general investors. Seventy-one Mainboard companies participated in the briefings, forming a platform for them to directly communicate with investors and ensuring better information disclosure.
Performance briefings of ESB companies	Investors	Hosted two performance briefings for ESB companies through physical events and live streaming. Six ESB companies were invited, whose participation facilitated TPEX's services to them, the creation of a platform for direct communication with investors and better information disclosure.

2.3 COLLABORATING WITH STAKEHOLDERS

2.3.1 Participation of Public Associations

As of now, TPEX is a member of 16 public associations. In addition to participating in routine meetings and key business discussions organized by these associations, TPEX actively attends related seminars. These engagements serve as valuable opportunities to enhance exchanges of policy insights and professional knowledge with other members, as well as with stakeholders from industry and academia.

TPEX's Participation in Public Associations in 2024

List of Public Associations	Participation Situation
Taiwan Financial Services Roundtable	Group Membership / Director Roles
Securities and Futures Analysis Association of the Republic of China	Group Membership / Director Roles
Taiwan Corporate Governance Association	Group Membership
The Institute of Internal Auditors, R.O.C.	Group Membership
Business Council for Sustainable Development Taiwan	Group Membership
Taiwan Association of Certified Valuers and Analysts	Group Membership
Chinese International Economic Cooperation Association Taiwan	Group Membership
Chinese National Association of Industry and Commerce	Group Membership
Corporate Operating and Sustainable Development Association	Group Membership
Taiwan Stock Affairs Association	Group Membership
Taiwan M&A and Private Equity Council	Group Membership
Banking Education Association of Taiwan	Group Membership
Taiwan Bio Industry Organization	Group Membership
Financial Planning Association of Taiwan	Group Membership
The Taiwan Finance Association	Group Membership
Financial Engineering Association of Taiwan	Group Membership

2.3.2 Engagement with International Organizations

TPEX actively engages in activities hosted by international securities organizations, regularly attending general meetings and global conferences. Through these events, TPEX strengthens collaboration with peer exchanges and exchanges market insights. In addition, TPEX supports global initiatives on sustainability and governance to enhance its international visibility. In October 2020, TPEX signed a statement of support for the Task Force on Climate-related Financial Disclosures (TCFD). In 2024, TPEX was invited on multiple occasions to participate in international forums, policy initiatives, and thematic conferences, demonstrating the strong international connectivity of Taiwan's capital market.

TPEX's Participation in International Organizations and Initiatives in 2024

List of International Organizations	Participation Situation
The World Federation of Exchange, WFE	Full Member
Asian and Oceanian Stock Exchanges Federation, AOSEF	Full Member
The International Organization of Securities Commissions, IOSCO	Associate Member (Full member of Financial Supervisory Commission)
The Global Association of Central Counterparties, CCP Global	Full Member
Climate Bonds Initiative, CBI	Full Member
International Capital Market Association, ICMA	Full Member

TPEX's Participation in Activities of International Securities Market-Related Organizations in 2024






List of International Securities Market-Related Organizations	Participation Situation
The World Federation of Exchange, WFE	<ul style="list-style-type: none"> • 2024 Clearing and Derivatives Conference (Physical meeting: Madrid, Spain) • WFE 63rd Annual Meeting and General Assembly (Physical meeting: Malaysia) • WFE Working Committee Meeting (Physical meeting: Frankfurt, Germany) • Webinars: 3 sessions
Asian and Oceanian Stock Exchanges Federation, AOSEF	<ul style="list-style-type: none"> • 2024 Annual Meeting (Physical meeting: Busan, South Korea) • 2024 Working Committee Meetings (Virtual: 2 sessions) • 2024 Special Meeting (Virtual: 1 session) • 2024 Seminars (Virtual: 2 sessions)
The International Organization of Securities Commissions, IOSCO	<ul style="list-style-type: none"> • IOSCO Training Seminar (Physical meeting: Madrid, Spain) • AMCC 2024 Meeting (Physical meeting: Madrid, Spain) • IOSCO 2024 Annual Meeting (Physical meeting: Athens, Greece) • Phase I Seminar on International Financial System Certification (Physical meeting: Madrid, Spain) • 2024 Seminar (Virtual: 1 session)
The Global Association of Central Counterparties, CCP Global	<ul style="list-style-type: none"> • 2024 Annual Meeting (Physical meeting: Athens, Greece)
Climate Bonds Initiative, CBI	<ul style="list-style-type: none"> • 2024 Business Exchange Meeting (Virtual: 1 session)
International Capital Market Association, ICMA	<ul style="list-style-type: none"> • 2024 Annual Meeting (Physical meeting: Brussels, Belgium)







International Engagements in 2024



List of International Engagements	Description
APFF, Asia-Pacific Financial Forum	TPEX participated in the “Sustainable Finance Development” seminar held at Kumamoto Gakuen University in Japan. During the second session on sustainability disclosure, TPEX delivered a special presentation titled “Promoting Sustainability Development Among TPEX-Listed Companies in Taiwan.”
ACGA, Asian Corporate Governance Association	TPEX attended the 23rd Annual Conference of ACGA. Since 2003, ACGA has published the CG Watch, assessing overall corporate governance practices across 12 Asian markets. The report is highly regarded by institutional investors and market participants. In line with policies set by the competent authority, TPEX actively promotes good corporate governance among TPEX-listed companies and leverages the annual conference to better understand recent developments in governance across Asia and institutional investor perspectives.
The Asian Roundtable on Corporate Governance	TPEX attended the 25th Asian Roundtable on Corporate Governance, jointly hosted by the OECD and the Philippine Securities and Exchange Commission in Manila. Themed “Recent Corporate Governance Developments in Asia,” the event provided valuable insights into international trends in governance and sustainability.
Australia Fintech Delegation Visit	TPEX joined a cross-city delegation to Sydney and Melbourne, engaging in discussions with Australian financial regulators and institutions. Topics covered included Australia’s fintech regulatory framework and supervision mechanism, and physical assets tokenization, virtual assets, and financial fraud prevention, etc. Participating organizations included: Australian Securities and Investments Commission (ASIC), Australia Securities Exchange (ASX), Optiver, ANZ Bank, Fintech Australia, among others.
Vietnam – “Going Global: Accessing Taiwan’s Capital Market” Seminar	Supporting Taiwan’s New Southbound Policy, TPEX co-hosted “Going Global: Accessing Taiwan’s Capital Market” Seminar in Binh Duong Province and Dong Nai Province with PwC Taiwan, Fubon Securities, and Jianye Law Firm. Nearly 30 companies participated enthusiastically.
Kuala Lumpur, Malaysia – “2024 Premium Enterprises Entering Taiwan Capital Market” Seminar and Dinner	In collaboration with KPMG Taiwan, TPEX visited ethnic Chinese enterprises in Kuala Lumpur, Malaysia, and hosted a seminar to promote Taiwan’s capital market. Over 60 senior executives from local businesses attended the event.
Toyko, Japan – “Connecting with Taiwan Capital Market” Promotion Seminar in Tokyo	To enhance awareness of the TPEX market among overseas biotech and medical startups, TPEX co-hosted a seminar in Tokyo, Japan with Daiwa Biotech Venture, and PwC Taiwan. TPEX also conducted onsite visits to companies engaged in catering, smart healthcare, venture capital and regenerative wafer manufacturing. These efforts reflect TPEX’s continued commitment to attracting Japanese enterprises to list in Taiwan.

2.3.3 Promotion of Services

To enhance market participants' understanding of the TPEX's various systems and services, promotional efforts are carried out through multiple channels:

Promotion Channel	Description
TPEX Official Website 	<ul style="list-style-type: none"> • 2024, TPEX launched a brand-new official website that integrates digital and visual design concepts to create a more interactive, intuitive, and user-centric online platform. • The website features a mega menu to expand navigation options, enabling users to quickly and conveniently access TPEX's rich and diverse information. Additionally, responsive web design (RWD) was adopted to enhance the browsing experience across various mobile devices and provide smooth and efficient digital services.
TPEX ESG Center 	<p>Provides enterprises and investors with a one-stop search for the sustainable development information of the TPEX, the content includes four thematic sections: "Sustainable Development Bonds", "Issuer ESG", "Sustainable Indices and Commodities" and "Sustainable Development of TPEX".</p>
IFRS Sustainability Disclosure Alignment Portal 	<p>To help all walks of life better understand the IFRS sustainability disclosure standards, the special zone includes five major topics, including Taiwan's compliance framework, IFRS sustainability disclosure standards, advocacy area, practical guidelines and Q&A, and sustainability knowledge. Additionally, an exclusive contact email is provided to offer integrated, one-stop services for inquiries related to sustainability information.</p>
Green Securities Information Platform 	<p>The platform consolidates key domestic and international green-related labels and discloses the status of listed companies in obtaining these certifications. It also integrates information on sustainable finance policies, sustainable development bonds, sustainability indices, and green financial products in Taiwan. Moreover, the platform includes international green securities data, such as the Nasdaq Green Designation and the London Stock Exchange Green Economy Mark. This comprehensive resource enables issuers and investors to stay informed about global green finance developments and trends, serving as a valuable reference for financial institutions and investors in making investment and financing decisions.</p>
Industry Chain Information Platform 	<p>Disclose the industry and company information of emerging stock and Mainboard-listed companies, facilitate investors to check the basic information of the financial business of the relevant listed company groups in each industry and individual companies in each industry chain, and provide general industry information such as relevant industry introductions and government industrial policies.</p>

Promotion Channel	Description
Financial Investment Fraud Prevention Zone 	<ul style="list-style-type: none"> The section integrates press releases and media coverage, along with the production of anti-fraud infographics, promotional video clips, Facebook posts, and various investor education initiatives. These efforts aim to disseminate information on preventing financial investment fraud, providing the public with a one-stop resource for anti-fraud awareness. As of the end of 2024, the section has compiled a total of 12 new anti-fraud updates, 20 database entries, 10 promotional videos, 31 feature reports, 85 outreach event announcements, and 8 hyperlinks to relevant agencies. The total number of page views for the year reached approximately 28,320.
GISA Plus Section 	<p>To support the government's policy goal of the "SME Diversified Revitalization and Development Program," TPEX aims to assist more startups, innovative enterprises, and youth entrepreneurs, while also identifying hidden champion companies to join the TPEX family and enter the capital market. As part of this effort, the GISA Board has been transformed into "GISA Board Plus (GISA Plus)," and a dedicated webpage has been created to introduce the GISA Plus system.</p>
TPEX Portal 	<p>To continuously promote the sustainable development of TPEX-listed companies and build an ESG ecosystem within the capital market, while enabling investors to quickly identify information related to companies' operational risks, opportunities, and sustainability resilience, TPEX has integrated ESG disclosures submitted by listed companies along with relevant securities market regulations and business-related information. A new webpage platform, the 'TPEX Portal,' has been established to help investors and enterprises more easily access and utilize ESG-related information, and to improve the efficiency of retrieving business and form-related data for TPEX-listed companies.</p>
Market InfoHub 	<p>By integrating information from the TPEX official website and the "Market Information System" (MIS), and linking with data frequently accessed by investors on the "Market Observation Post System" (MOPS), the platform offers diversified information such as TPEX market index performance, net buy/sell data by the three major institutional investors, margin trading statistics, block trades, and various trading volume rankings.</p>
ETF InfoHub 	<p>The "ETF InfoHub" provides investors with the latest ETF market information through visual analysis tools, including statistics such as asset size and number of beneficiaries. It also features an "ETF Investment Filter" function, allowing investors to search for suitable TPEX-listed ETF products based on themes such as asset class, return type, and performance.</p>
TPEX Market Business Promotion Website 	<p>In order to provide market participants with access to relevant information on regulations, procedures, and educational materials, TPEX has consolidated key resources into the TPEX Market Business Promotion Website. This platform offers a one-stop interface for information retrieval and enhances the overall service quality of TPEX.</p>

Promotion Channel	Description
TPEX HOME Academy 	<p>Considering the needs of young individuals who are new to the capital market and eager to learn about securities, TPEX has specially compiled online learning resources to make it easy for the public to study from home.</p>
Facebook Fanpage 	<ul style="list-style-type: none"> • There are editors to interact with the public lively, promote highlight products or systems, and achieve education with entertainment. • Share the post on the fanpage of the competent authority to achieve policy communication and publicity.
Promotional Seminars	<p>Important policies, regulatory updates, and newly revised market rules and mechanisms are promoted to Emerging Stock and TPEX-listed companies, investors, and securities firms to enhance their understanding and compliance with the latest developments.</p>
On-site Visits / Tours	<p>Conduct on-site visits to domestic and international enterprises, as well as TPEX-listed and emerging stock companies, to introduce the multi-tier capital market.</p>
Networking / Matchmaking Events	<p>TPEX regularly organizes business promotion, networking, and matchmaking events for companies in the TPEX market.</p>
Media	<p>TPEX promotes its services and products through media channels on an irregular basis.</p>
Investor Phone / Fax	<p>To better serve the investing public, TPEX has established an exclusive investor service hotline and email, with assigned personnel responsible for handling inquiries. Upholding a professional and service-oriented approach, TPEX strives to respond promptly and enhance service efficiency.</p> <ul style="list-style-type: none"> ◆ Investor Service Hotline: 02-2796-3788 ◆ Investor Email: Accessible via the 'Contact Us' link on the official website

CHAPTER 3

SUSTAINABLE GOVERNANCE



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3.1 FOSTERING CORPORATE SUSTAINABILITY

3.1.1 Improving Corporate Governance Evaluation

TPEX aims to support companies in securing the capital necessary for business operations, thereby attracting top talent, strengthening internal control systems, improving corporate governance, and promoting sustainable development. The goal is to encourage boards of directors and management teams to achieve operational goals in a manner that serves the best interests of the company and all shareholders. Emphasis is also placed on corporate social responsibility, supporting the transformation of corporate governance structures, and providing effective oversight mechanisms to encourage optimal resource utilization and improved operational efficiency, ultimately enhancing corporate competitiveness.

TPEX is committed to promoting transparency among TPEX-listed companies through a sound information disclosure framework to earn investor trust. Various events, such as earnings announcement and overseas investor conferences, are organized to provide communication platforms for companies to raise capital and unleash their business value. TPEX also conducts regular visits to members of the TPEX-listed “family” to encourage sound corporate governance practices, prevent insider trading, and embed the principles of sustainable development. Through comprehensive supervisory measures, TPEX helps member companies enhance their governance systems, protect the rights of investors and shareholders, and offers services and platforms to increase visibility and global presence, making fundraising more efficient and securing public investments to the companies.

Since Taiwan's regulatory authorities released the “Corporate Governance Roadmap 2013”, continuous improvement efforts in governance-related measures have led to steady progress in international evaluations. According to the CG Watch 2023 report published biennially by the Asian Corporate Governance Association (ACGA), Taiwan ranked third in corporate governance among 12 Asian countries, tied with Singapore and only behind Australia and Japan. Comparing to the previous CG Watch 2020, Taiwan has moved up a spot in the ranking, demonstrating Taiwan's achievements in corporate governance have gained strong recognition from an international corporate governance institution.

To help TPEX-listed companies improve corporate governance and CSR performance, TPEX continues to conduct corporate governance evaluations and holds regular briefing sessions to help companies understand the latest indicators and governance practices. TPEX also supports TPEX-listed companies in understanding the direction of the ESG Sustainable Development Action Plan. Additionally, TPEX encourages TPEX-listed and Emerging Stock Board companies to voluntarily disclose material information in English. To support this, TPEX has developed sample templates for English disclosures to enhance market bilingualism and international visibility.

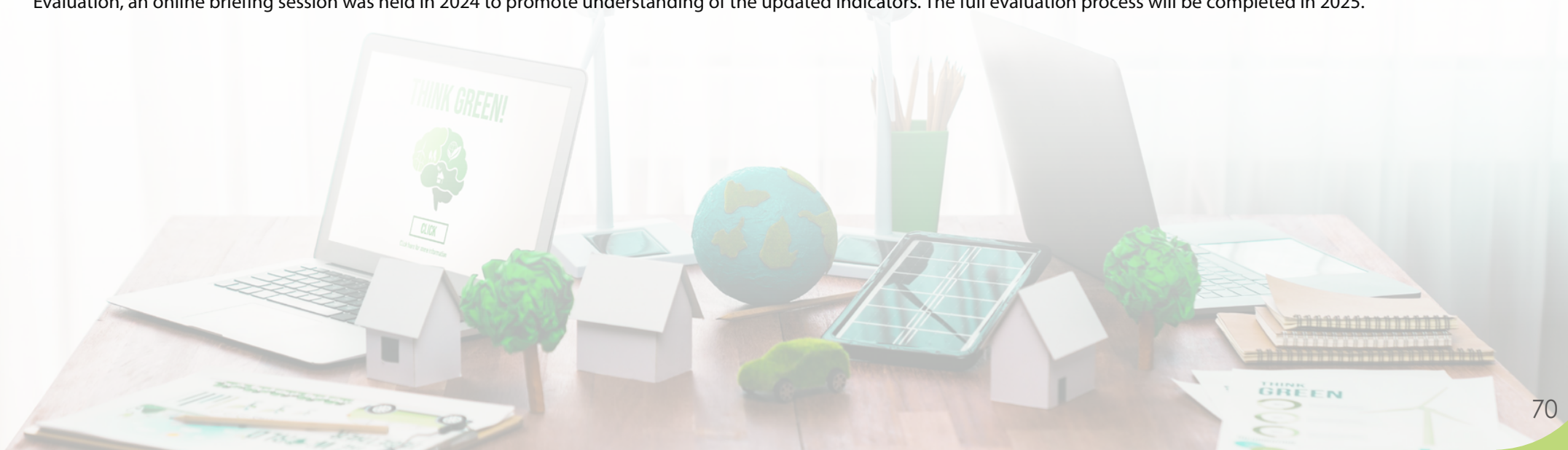


Corporate Governance Evaluation

Since its implementation in 2014, the Corporate Governance Evaluation has aimed to guide companies toward adopting best practices through a set of comprehensive indicators across four major dimensions: protecting shareholder rights and ensuring equitable treatment, strengthening the structure and operation of the board of directors, enhancing information transparency, and promoting sustainable development. These evaluations have gradually encouraged companies to voluntarily embrace superior corporate governance practices, reinforcing their commitment to corporate responsibility and sustainable development, and contributing to improved corporate governance in Taiwan's capital market. As the evaluation mechanism has evolved, the corporate governance quality of TPEX-listed companies has shown continual improvement. Key statistical data are presented in the table below:

Corporate Governance Measures	Number of companies in 2023	Number of companies in 2024	Growth rate in 2024
Submit annual financial reports in English	500	544	8.80%
Filing the annual report of the shareholders' meeting in English	482	518	7.47%

The results of the 10th Corporate Governance Evaluation were announced in April 2024, followed by an award ceremony held in June to honor companies demonstrating outstanding corporate governance performance. TPEX-listed companies ranked in the top 20% were selected for inclusion in the Corporate Governance Index. Compared to the 9th Evaluation, a total of 29 new companies entered the top 20% list, and among the 38 companies in the top 5%, 7 were newcomers, including 4 entering the top 20% list for the first time. These results highlight the growing emphasis TPEX-listed companies place on corporate governance and their proactive efforts to enhance governance practices. In preparation for the 11th Evaluation, an online briefing session was held in 2024 to promote understanding of the updated indicators. The full evaluation process will be completed in 2025.



The operating methods and indicators of the 12th Corporate Governance Evaluation in 2025 are based on the structure and important contents of 2024, and the revision direction is not only in accordance with the “Sustainable Development Action Plans for TWSE- and TPEx-Listed Companies (2023)”, “Asia Asset Management Center project”, which aims to promote Taiwan to be the Asian asset management center” and the transformation ESG evaluation plan announced by the competent authority, but also refers to the important international corporate governance and sustainable development trends, newly amended domestic regulations, interpretations and policies, and feedback from all walks of life. The main new items of the corporate governance evaluation indicators are as follows:

Protection of Shareholders’ Rights and Equitable Treatment of Shareholders

- Whether the company has established a greenhouse gas (GHG) reduction management policy, including reduction targets, implementation measures, and performance outcomes.
- Whether the company has formulated concrete measures to enhance corporate value, submitted them to the board of directors for discussion, and disclosed the relevant information on the Market Observation Post System (MOPS) under the “Corporate Value Enhancement Plan” section.

Protection of Shareholders’ Rights and Equitable Treatment of Shareholders

- Whether the company discloses Scope 3 GHG emissions and total annual emissions for the past year.
- Whether the company has established an energy management plan and disclosed its implementation status on its website, annual report, or sustainability report.
- Whether the company has adopted an internal carbon pricing mechanism to assess the financial and operational impacts of climate change.
- Whether the company has implemented an employee training and development plan to enhance career growth and disclosed its content and execution status.
- Whether the company regularly conducts employee satisfaction surveys and discloses the results along with improvement actions.
- Whether the company has established a personal data protection policy, disclosed its contents and implementation status.
- Whether the company has developed policies and grievance mechanisms to protect consumer or client rights related to product and service health and safety, marketing, and labeling issues.
- Whether the company has established a board-level Sustainability Committee consisting of at least three members with expertise in corporate sustainability, including at least one board director participating in oversight, and whether it discloses the committee’s composition, responsibilities, and operations.

As environmental and social issues gain increasing international attention, Taiwan’s Corporate Governance Evaluation has gradually incorporated more sustainability-related indicators. To further assess the ESG performance of listed companies and guide them toward enhanced ESG disclosure and sustainability transformation, the evaluation is planned to evolve based on the current Corporate Governance Evaluation framework. By progressively increasing the number and weighting of environmental and social indicators, the evaluation will transition into an ESG Evaluation by 2026 in a step-by-step manner.

3.1.2 Driving Corporate Sustainable Action

In line with the policies of the competent authorities, TPEX has jointly promoted the development of corporate governance in Taiwan's capital markets to support enterprises in enhancing their competitiveness and creating a more investor-friendly environment. As the world increasingly faces the impacts of environmental problems and climate change, sustainable development has become a global priority, and responsible investment has emerged as a new trend in capital markets. Taiwan's efforts in advancing corporate governance have gradually evolved from an initial emphasis on corporate internal control and governance mechanisms to encouraging enterprises to address sustainability issues, and fostering a responsible investing environment that channels capital into sustainable development through market mechanisms.

Key Measures and Current Status of Promoting Sustainability Reporting in Taiwan

In 2014, TPEX established the "Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies", requiring TPEX-listed companies to prepare their reports with reference to the Global Reporting Initiative (GRI) Standards. These guidelines emphasize enhanced disclosures on environmental, social, and corporate governance (ESG) risk assessments, as well as climate-related issues.

To align with international developments and enhance global comparability, TPEX continues to expand the scope of sustainability reporting by referencing international disclosure standards while considering the characteristics of domestic industries. As of 2024, all TPEX-listed companies with paid-in capital of NT\$2 billion or more have prepared sustainability reports for the year 2023. Furthermore, to improve investor access to decision-useful ESG information, TPEX has enhanced disclosures of industry-specific sustainability indicators for listed companies in 14 key industries who meet the NT\$2 billion paid-in capital threshold.

On January 31, 2024, TPEX announced amendments to the sustainability reporting guidelines, which all TPEX-listed companies must prepare and file sustainability reports starting from 2025 for the fiscal year 2024. These revisions include a phased approach to disclosing carbon reduction targets, strategies, and concrete action plans. Companies are encouraged to reference the Sustainability Accounting Standards Board (SASB) metrics and include a SASB content index to improve industry-specific disclosures. To further enhance listed companies and their boards of directors' responsibilities for sustainability report preparation, the reports should be approved by the board of directors. Additionally, TPEX and the Taiwan Stock Exchange have jointly developed an ESG digital platform featuring a "Sustainability Report Generation Function", which offers sample disclosures and guidance. This tool can automatically import previously reported ESG information, thereby improving the efficiency of sustainability report preparation.

TPEX also actively promotes voluntary disclosure of sustainability reports through educational outreach and listed company

Number of TPEX-Listed Companies Preparing Sustainability Reports in the Past Three Years

Report year	2021	2022	2023
Mandatory Preparation	51	96	96
Voluntary	145	160	251
The total number of TPEX-Listed Companies who prepared	196	256	347
Percentage of Total TPEX-Listed Companies	24.26%	31.37%	41.41%

Note: Statistics as of December 31, 2024.

visits. Sustainability performance has been incorporated into the Corporate Governance Evaluation framework. In recent years, the number of companies who voluntarily prepare sustainability reports has increased, and have all exceeded the number of companies with mandatory preparations.

Promote the company's sustainability structure and key action plans

To encourage enterprises to actively practice sustainable development and comply with the policies of competent authorities, based on the four strategic pillars of “governance”, “transparency”, “digitalization”, and “innovation”, TPEX aims to advance the following five key focus areas:

- 1. Leading the company to net zero**
- 2. Deepen the culture of corporate sustainable governance**
- 3. Improve the disclosure of sustainability information**
- 4. Strengthen communication with stakeholders**
- 5. Promote ESG evaluation and digitalization**

Regulations and Implementation of Promoting Sustainability and Climate Risk Management among Securities Firms

In response to climate change, securities firms have been required, starting from 2023, to disclose information on climate risk management by the end of June each year, in accordance with the Practical Guidelines for Risk Management of Securities Firms. The TPEX will continue to review firms’ compliance with climate risk management requirements and their related disclosure practices.

To promote sustainable development among securities firms, the TPEX announced the Rules Governing the Preparation and Filing of Sustainability Reports by Securities Firms on March 13, 2023. At the time of issuance, the TPEX also formally notified securities firms to take early action in accordance with the schedule outlined in the rules. This includes the preparation of sustainability reports (or sustainability indicators) as well as the inventory and assurance of greenhouse gas emissions under Scope 1 and Scope 2.

In line with competent authorities policies to strengthen sustainable development within the securities industry, the TPEX has adopted a phased approach to assist firms in completing preparing and filing their sustainability reports on schedule. In cooperation with the Taiwan Stock Exchange (TWSE), the TPEX has divided oversight responsibilities to monitor the compliance of firms required to prepare sustainability reports for the 2024 reporting year. Continuous guidance and follow-up are being provided to firms that fall behind schedule. Looking ahead, the TPEX will continue promoting sustainability reporting among securities firms with paid-in capital of less than NT\$2 billion, encouraging them to prepare and disclose sustainability reports and indicators according to the planned timeline. The TPEX will also conduct quarterly tracking of preparation and filing progress across all securities firms.



3.2 STRENGTHENING OPERATIONAL GOVERNANCE

3.2.1 Adhere to Integrity Governance

The Board of Directors is the Highest Governance Body

The Board of Directors serves as the highest governing body of the Taipei Exchange (TPEX). The selection of board members is conducted in accordance with the provisions of the Donation of Association of the Taipei Exchange. The Board is composed of 15 members. In addition to those appointed by the competent authority in accordance with relevant regulations, other members are selected by the donor organization from among donors, professionals, scholars, and securities industry representatives. Provisions regarding the term of office and the proportion of donors among directors are clearly defined. The selection process also considers each candidate's professional qualifications to ensure that board-level decisions align with the characteristics of the capital market industry and the future development needs of the TPEX.

TPEX regularly reports its business, financial, and operational performance to the Board of Directors. The Board convenes at least once a month. Operational performance and financial conditions are presented through reporting items submitted to the Board as part of each meeting. Before presenting proposals and reports to the Board, one shall check if the content presented requires appropriate withdrawal due to any connection with the stakeholders, directors or supervisors present at the meeting and inform the person(s) concerned in advance.

In addition to carrying out its duties under the Donation of Association, the Board is responsible for approving key matters such as annual work plans, financial statements, evaluations of the effectiveness of internal control systems, the appointment or dismissal of external accountants, and the hiring or removal of senior management personnel. The Board holds regular and ad hoc meetings at least once a month to delegate authority over governance-related economic, environmental, and social issues to the Chairperson or relevant departments, depending on the significance and urgency of each issue. Reports are submitted to the Chairperson or the full Board as needed.



**List of the 11th Board Directors and Supervisors of the TPEx**

Title	Name	Current Position
Chairman	Chien, Lih-Chung	Chairman, Taipei Exchange
	Chen, Rebecca	Managing Director & CEO, Taipei Exchange
Director	Wang, Hsu-Chi	Professor, School of Law, Soochow University
	Lin, Hsiu-Ming	Chairman, Taiwan Stock Exchange Corporation
	Lin, Bing-Huei	Chairman, Taiwan Depository & Clearing Corporation
	Lin, Tien-Fu	Chairman, Yuanta Futures Co., Ltd.
	Lin, Shu-Ling	Professor, Department of Information and Finance Management, National Taipei University of Technology
	Sun, Yea-Li	Professor, Department of Information Management, National Taiwan University
	Chen, Chun-Hong	Chairman, MasterLink Securities Corporation
	Guo, Jerry	Chairman, Taishin Securities Co., Ltd.
	Chang, Chien-Yi	President, Taiwan Institute of Economic Research
	Cheng, Leo	Chairman, Fubon Securities Co., Ltd.
	Huang, Bing-Jing	Chairman, Grand Fortune Securities Co., Ltd.
	Huang, Hua-Wei	Associate Professor, Department of Accounting and Graduate Institute of Finance, National Cheng Kung University
	Shiue, Min-Jeng	Distinguished Professor, Department of Accounting, National Taipei University
Supervisor	Wang, Kuei-Tseng	Consultant, Reliance Securities Co., Ltd
	Chang, Chen-Shan	Director General, Securities and Futures Bureau, Financial Supervisory Commission
	Chen, Shao-Huang	Deputy General Manager, Taiwan Business Bank
	Yeh, Shih-Kuo	Lifetime Distinguished Professor, Department of Finance, National Chung Hsing University
	Lu, Ching-Chih	Associate Professor, Department of Finance, National Chengchi University

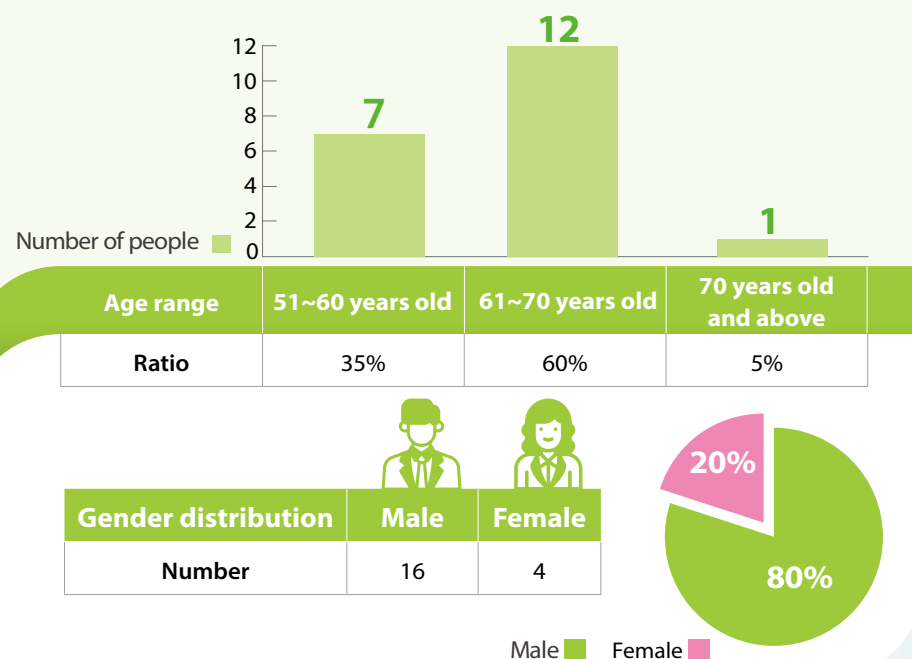
The directors of the Taipei Exchange (TPEX) are outstanding professionals drawn from the financial market, academia, and industry. Their areas of expertise encompass finance, accounting, law, information management, and related fields. 10 are appointed by the competent authority, ensuring both independence and public interest. Among the current directors, four are female. Each term of office for TPEX directors is three years; the current (11th) term runs from August 10, 2024, to August 9, 2027. The average attendance rate at board meetings in 2024 was 100%. In addition, TPEX has five supervisors whose responsibilities include overseeing the execution of board duties and reviewing the organization's annual revenues, expenditures, budgets, and final accounts. Supervisors

also serve a three-year term and are selected from experts and scholars with backgrounds in accounting, finance, and related disciplines.

The Board of Directors annually considers the interests of all stakeholders and formulates major strategies to provide critical guidance across various aspects for the management team. Under the policy direction of the competent authority, the long-term development goal of TPEX is to "proactively build a comprehensive exchange with multifunctional and multi-tiered services, and continuously enhance market mechanisms to meet the diverse needs of enterprises and investors". This vision is conveyed by the leadership and jointly implemented by the Chairman, President, Directors, and senior management. The long-term vision is translated into medium-term plans and annual work plans, with short-term objectives and execution guidelines established accordingly. The implementation of these plans is reviewed on a regular basis. Each year, TPEX directors and supervisors are required to conduct a self-assessment of their contributions to the organization's performance and report the results to the competent authority.

According to the TPEX Donation of Association, all directors and supervisors serve on an unpaid basis, except for the Chairperson, who is a full-time position and receives remuneration determined by the Board of Directors. Prior to the beginning of each fiscal year, TPEX submits the following year's revenue and expenditure budget, including the remuneration of senior management, to the Board for approval and then to the competent authority for final ratification. The total compensation of key management personnel is disclosed in the annual financial report, which is also submitted to the Board of Directors.

Information on the age and gender distribution of the 11th term of directors and supervisors



The Taipei Exchange (TPEX) has established functional committees and an Internal Audit Office. Their primary responsibilities and operational mechanisms are outlined as follows:

Committee	Main Duties	Member	Operation
Sustainable Development Committee	Coordinate and drive TPEX's sustainability strategy, taking charge of decision-making, monitoring, and review of related sustainability efforts to ensure the fulfillment of the objectives of sustainability strategies.	Chairperson: Managing Director & CEO Vice chairpersons: Deputy CEO and Chief Administrative Officer Members: Heads of Departments	<ul style="list-style-type: none"> • Meetings are held twice annually.
Business Continuity Committee	Coordinate and supervise the business continuity management system at TPEX, ensuring its adequacy, effectiveness, and inter-departmental coordination.	Chairperson: Managing Director & CEO Members: Deputy CEO, Chief Administrative Officer and Heads of Departments	<ul style="list-style-type: none"> • A standing task force responsible for the business continuity plan and crisis management, executing both preventive measures before emergencies and recovery actions afterward. • Monitoring departments' testing or simulation exercises related to Mission Critical Activities (MCA), and convening the Business Continuity Committee to conduct simulation exercises as needed.
Personal Data Protection Management Committee	Strengthen the implementation of personal data protection mechanisms and the comments and resolutions based on the review of personal data management.	Chairperson: Managing Director & CEO Vice chairpersons: Deputy CEO, Chief Administrative Officer Members: Heads of Departments	Conducts two personal data management review meetings annually. Furthermore, contingency training and simulation exercises for personal data breach incidents.
Internal Audit Office	Assist the Board of Directors and managers in evaluating compliance with internal control systems, assessing operational effectiveness and efficiency, and providing timely improvement recommendations to ensure continuous effective implementation and serve as a basis for reviewing and revising internal control systems.	General Auditor, 1 Team Leader, and 2 Specialists	Conduct biannual reviews and revisions of internal control systems. Based on each department's risk assessment results, operational status, and directives from the competent authority, formulate audit plans to audit departmental operations and provide timely improvement recommendations.

Ethical Business Practices

The TPEX is a key participant in Taiwan's capital market, committed to promoting economic development by facilitating corporate fundraising. Ethical business conduct is the cornerstone of sustainable development. To ensure fair and objective execution of all operations, TPEX has established a robust legal compliance framework and implemented the "Ethical Management Rules" in June 2019. The implementation status is reported to the Board of Directors semi-annually. In 2024, TPEX was not involved in any incidents that could undermine the order of the capital market, such as fraud, insider trading, antitrust violations, anti-competitive conduct, market manipulation, discrimination, human rights violations, or related misconduct.

TPEX has formulated a series of codes of conduct and regularly conducts training and awareness programs. Additionally, when an issuing company applies for Emerging Stock registration or Go Incubation Board (GISA) listing, staff members are reminded via email to comply with relevant TPEX rules and disciplinary regulations. This ensures employees have clear guidelines when interacting with various stakeholders.

CODES OF CONDUCT

All Employees	<ul style="list-style-type: none"> • Employee Confidentiality Guidelines • Ethical Management Rules • Guidelines for Employee Ethical Conduct • Precautions for Employees Acquiring or Disposing of TPEX-traded Securities and GISA Stocks
Reviewers and Supervisory Personnel	<ul style="list-style-type: none"> • Code of Conduct for Securities Listing (Mainboard, Emerging Stock Board, and GISA) Reviewers and GISA Advisors • Code of Conduct for Securities Supervisory Personnel
Personnel Conducting Company Audits	<ul style="list-style-type: none"> • Statement of the Person Performing the Audit

The TPEX has also established the "Implementation Measures for the Whistleblower System", which allow any individual to report suspected criminal conduct, fraud, or legal violations by TPEX personnel. This internal and external oversight mechanism further strengthens the organization's integrity and ethical standards. In 2024, no incidents of bribery or corruption were identified.

To enhance awareness of integrity and ethical conduct, the TPEX regularly conducts training programs for all employees, promoting the importance of ethical corporate management. In 2024, the TPEX held three sessions of the "Corporate Integrity and Whistleblowing Mechanism" course, with a total of 299 participants, covering all active employees (excluding those on sick leave, maternity leave, or unpaid leave).



Regulatory Compliance

To ensure adherence to applicable laws and regulations, the TPEX has assigned dedicated legal personnel under the Management Department. These personnel are responsible for executing legal compliance matters related to TPEX operations and reviewing revisions of internal rules across departments. They regularly monitor and consolidate updates on relevant regulatory developments for employee reference. When applicable laws and regulations are amended, the legal personnel will participate in the discussion of amending TPEX's corresponding internal regulations and announce the latest regulatory changes. This ensures that TPEX remains aligned with industry trends while fully complying with current legal requirements.

To ensure the effectiveness of internal control systems for regulatory compliance across all departments, each department conducts a semiannual self-assessment, which is then submitted to the Internal Audit Office for review. Additionally, the Internal Audit Office conducts an annual regulatory compliance audit. In 2024, the audit identified no significant irregularities. In the same year, the regulatory compliance training focused on the topic "Corporate Integrity and Whistleblowing Mechanism", with a total of 299 participants.

3.2.2 Risk Management

To safeguard the trading security of the TPEX market and prevent events that may threaten the TPEX's trading services—such as natural disasters, human-induced disruptions, or system failures—the TPEX has adopted the ISO 22301 Business Continuity Management System (BCMS). Through the establishment of disaster response and recovery mechanisms in line with the ISO 22301 international standard, the TPEX aims to ensure the uninterrupted operation of trading-related services and protect the rights and interests of investors.

Risk Management Policy

In alignment with its overall operational strategy and business environment, and in compliance with applicable laws and regulations, the TPEX has established a robust risk management mechanism that is continuously implemented and refined. Risk management is integrated into the decision-making process, allowing each department to identify, assess, monitor, prevent, and control risks effectively during business planning and execution, thereby keeping potential risks within acceptable limits.

To ensure comprehensive risk management and effective crisis response, the TPEX has formulated and implemented the "Taipei Exchange Risk Management Policy and Crisis Management Guidelines". These guidelines aim to prevent risks and minimize potential impacts to achieve business objective and enhance overall performance.

Risk Response Measures

To effectively implement risk management and crisis response, each department of the TPEX is responsible for managing the risks associated with its respective operations, based on its area of expertise and responsibilities. Departments regularly carry out risk identification, analysis, and evaluation processes to conduct a comprehensive assessment of operational risks, and accordingly formulate, revise, and implement risk mitigation measures.

In 2024, the TPEx revised its “Risk Identification” and “Risk Analysis” documentation. The revised risk inventory includes 12 categories comprising 52 items. Among these, 13 items were initially assessed as low to medium risk, 30 as medium risk, and 9 as medium to high risk. After implementing control mechanisms and developing contingency measures, the residual risks were re-assessed, with 8 items classified as low risk, 44 as low to medium risk, and none rated above medium risk.

Business Continuity Plan

To ensure that critical operations can respond promptly and recover within the expected timeframe following a disruptive event, the TPEx has established a Business Continuity Committee. Each department annually updates its Business Continuity Plan (BCP) and Emergency and Contingency Handling Manuals in accordance with current operational conditions. On December 2, 2024, the TPEx held its annual Business Continuity Committee meeting and approved updates to the relevant plans and manuals. In accordance with the TPEx “Business Continuity Plan”, “Work Plan”, “Business Continuity Management Procedures”, and regulatory requirements, the TPEx regularly and irregularly conduct several cross-departmental or center-wide physical or paper-based drills simulating major incidents or emergencies.

ISO 22301 Business Continuity Management Systems Certification

To ensure the establishment of disaster response and recovery mechanisms in compliance with international standards—and to safeguard the security of TPEx market trading and the rights of investors—the TPEx obtained ISO 22301 Business Continuity Management System certification in November 2020. The scope of ISO 22301 implementation covers trading system-related operations and associated IT systems. In 2024, operational results met the pre-established business continuity objectives. The British Standards Institution (BSI), an independent certification body, conducted a re-audit with no nonconformities identified, allowing the TPEx to successfully maintain its ISO 22301 certification.

Internal Audit

The TPEx has established an internal control and audit system in accordance with the “Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets”. Each department formulates its own internal control procedures based on business processes. These are published on the internal website under the “Internal Control and Internal Audit Section” and are executed accordingly to ensure continued effectiveness of the internal control system.

The Internal Audit Office under the Board of Directors, conducts audits of departmental operations, provides timely improvement suggestions, and compiles audit findings and follow-up improvements for monthly review by Supervisors. The findings and improvements are also presented quarterly at joint meetings of the Board and Supervisors, and subsequently reported to the competent authority for record. All improvement suggestions made in 2024 were fully implemented within the same year.

In response to internal and external environmental changes and regulatory amendments, each department promptly updates relevant procedures or standard operating protocols. Once finalized, updates are immediately announced via the internal website and email notifications, and internal training sessions are held as necessary. In addition to conducting monthly self-assessments, departments also evaluate the effectiveness of internal control systems. All results were reviewed by the Internal Audit Office, with no significant deficiencies identified in 2024.

3.2.3 Information Security

Information Security Management System

The TPEX has obtained several international certifications, including ISO 9001 (Quality Management), ISO 27001 (Information Security), ISO 20000 (IT Service Management), and ISO 22301 (Business Continuity Management). These certifications are maintained through regular reviews—semi-annual performance reviews and triennial re-examinations—conducted by accredited certification bodies. As of now, all certifications remain valid. To ensure the effectiveness and appropriateness of its information security management system, the TPEX holds an Information and Communications Security Management Review Meeting chaired by the head of the IT Department every six months to review the implementation of the information security management system. In 2024, all 20 established information security objectives were successfully achieved, reaching a 100% completion rate.

To guarantee the continuity of operations in the event of system failure at the primary data center, the TPEX has established both on-site and off-site backup systems, along with relevant emergency response procedures. These include the “Business Continuity Plan”, “Emergency and Contingency Handling Manual”, “Computer Trading System Abnormal Incident Handling Procedure”, and “Full Backup Maintenance and Processing Procedures”, ensuring that critical computer systems can continue operating without disruption.

Information security acts	Specifics
Dedicated Unit and Education & Training	The TPEX has established a dedicated Information and Communications Security Section responsible for all information security operations. To enhance employee awareness and professional competency, the TPEX provides: 15 hours of professional cybersecurity training for chief information security officers and cybersecurity personnel, 3 hours of cybersecurity training for IT staff, and 3 hours of awareness training for all employees.
Cybersecurity Protection and Monitoring	<ul style="list-style-type: none"> • It has established an information security protection system and a Security Operations Center (SOC), and in 2024, it has carried out security testing operations such as information security diagnostics, host system vulnerability scanning, web program vulnerability scanning, program source code detection and penetration testing to avoid information security threats or attacks. • ISO 22301 has been introduced to formulate disaster response and resilience mechanisms for various events that may threaten the trading services of TPEX (e.g. natural disasters, man-made sabotage, and system failures, etc.), and has been tested through drills. • Conduct regular risk identification and management, management review meetings, internal audits, drills and tests, and review by the verification unit to continuously improve the business continuity management system.
Cybersecurity Enhancement Measures	<ul style="list-style-type: none"> • Vulnerability Analysis and Notice System (VANS) • Information system early-warning mechanism • Sharing of cybersecurity intelligence with the Financial Security Operations Center (FSOC)
Internal Cybersecurity Audit	In accordance with the 2024 annual audit plan, the Internal Audit Office conducted information security audits across departments. All departments implemented the information security management measures in compliance with internal control requirements, and no significant deficiencies were identified.
External Cybersecurity Audit	<ul style="list-style-type: none"> • The TPEX has established an Information Security Management System (ISMS) in line with ISO 27001 standards, serving as the basis for IT operations. • In 2024, the British Standards Institution (BSI) conducted two surveillance audits, both of which were completed with zero non-conformities. The ISO 27001 certification remains valid.
Outsourced Vendor Cybersecurity Audits	<ul style="list-style-type: none"> • In accordance with the “Outsourcing Management Procedures”, cybersecurity audits are conducted for outsourced vendors. • In 2024, a total of 12 vendors were audited, reviewing their cybersecurity practices in handling contracted business operations for the TPEX.

Protection of Personal Data

The TPEX is committed to safeguarding the personal data it manages, ensuring that the collection, processing, and use of such data comply with requirements of confidentiality, integrity, availability, and relevant legal regulations. These efforts aim to mitigate the risk of unauthorized disclosure and protect the rights of data subjects, thereby contributing to the sound operation of the capital market.

To ensure that data subjects can exercise their rights in a manner that is effectively manages, respect the rights of data subjects, and handle personal data-related complaints effectively and correctly, the TPEX has established designated channels for inquiries and complaints. Responses are provided to the individuals concerned after review. In 2024, no incidents of personal data breach were reported.

Furthermore, the TPEX has implemented a Personal Data Protection Management System, which complies with the Personal Data Protection Act and is governed by a comprehensive Personal Data Protection Management Manual, as well as associated guidelines and procedures. These serve as a standardized framework for all employees in the collection, processing, and use of personal data. In addition, TPEX reviews personal data protection related operations through external and internal audits semi-annually.

Personal Data Protection Management Committee

- The TPEX has established a Personal Data Protection Management Committee, chaired by the President and structured as a cross-departmental task force.
- In 2024, two Personal Data Management Review Meetings were held in January and July.

Contingency Training for Personal Data Violation Incidents

- Although no personal data breach incidents occurred in 2024, the TPEX organized a personal data breach response drill and simulation training in September 2024. The training scenario was designed by the Personal Data Protection Management Representative (Supervisory Head of Planning and International Affairs) to enhance employees' crisis awareness and response capabilities.

Internal and external audits

- The British Standards Institution (BSI) conducted semi-annual external audits in January and July 2024
- The internal audit team conducted semi-annual audits. Internal audits were performed by the Internal Audit Team in May and November 2024.

Continuing Education for Employees

- To raise awareness among all employees, a three-hour training course titled "Information Security and Personal Data Protection" was conducted for all staff.

3.2.4 Supplier Management

The TPEX's primary suppliers include service providers, equipment vendors, and third-party vendors, categorized into six major types: information services, security, electronic equipment, telecommunications, furniture, and renovation projects.

In addition to following the “Property Procurement and Management Guidelines” as the standard procedure for procurement activities, the TPEX views suppliers as important partners. Since November 2020, suppliers have been required to sign the Corporate Sustainability Development Commitments, pledging adherence to principles related to occupational safety and health, labor rights, and environmental protection. This aims to uphold corporate social responsibility, promote environmental sustainability, and safeguard fundamental human rights.

The TPEX also conducts regular reviews of suppliers’ service performance to ensure compliance with contractual terms and standards.

100%

Proportion of spending on local suppliers for TPEX in 2024.

**156
copies**

In 2024, all supplier contracts included a signed “Corporate Sustainability Development Commitments” , achieving a 100% supplier signing rate.

Note: Property Procurement and Management Guidelines: Conducting price negotiation, price comparison and bidding procedures based on the purchase items and amounts.

CHAPTER 4

ENVIRONMENTAL PROTECTION



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4.1 CLIMATE CHANGE GOVERNANCE

4.1.1 Climate Governance Framework

Climate Governance Framework

In light of the intensifying impacts of climate change on the global environment, the international community has increasingly focused on climate-related risks. While companies may face negative consequences due to climate change, they may also identify a new wave of growth opportunities from this global trend. Promoting climate-related disclosures and adaptation strategies has gradually become a shared consensus among stock exchanges worldwide.

TPEX officially endorsed the Task Force on Climate-related Financial Disclosures (TCFD) in October 2020. In the second meeting of its Sustainable Development Committee in 2023, TPEX resolved to identify climate-related risks and opportunities in alignment with the TCFD and IFRS S2 frameworks. It will establish a climate risk and opportunity management system and strengthen climate risk governance through four key pillars: governance, strategy, risk management, and metrics and targets.

4.1.2 Climate Risk Management

Process of Identifying Climate Scenarios, Climate-Related Risks and Opportunities

In response to the release of the final draft of the Sixth Assessment Report (AR6) Working Group I by the Intergovernmental Panel on Climate Change (IPCC) on August 9, 2021, the Ministry of Science and Technology, the Research Center for Environmental Changes of Academia Sinica, the Central Weather Bureau under the Ministry of Transportation and Communications, the Department of Earth Sciences of National Taiwan Normal University, and the National Science and Technology Center for Disaster Reduction jointly published the



“Scientific Highlights of IPCC AR6 and Updated Analysis of Climate Change in Taiwan”. The report indicates that average temperatures across Taiwan are projected to continue rising. Under the worst-case global warming scenario (SSP5-8.5), average temperatures in the mid- and late-21st century may increase by over 1.8°C and 3.4°C, respectively.

In light of the inevitable challenges brought by climate change, TPEX organized a TCFD Workshop on Climate-Related Risks and Opportunities, which brought together various departments to jointly research, discuss, and compile relevant information for the analysis of both crises and opportunities. Through this workshop, TPEX identified major climate-related risks and opportunities and subsequently conducted comprehensive assessments to develop appropriate strategies for risk management and opportunity utilization. These efforts are intended to reduce climate risks and seize potential opportunities.

The specific process for identifying significant climate-related risks and opportunities and formulating corresponding strategies is outlined below:

A Assessing Impacts on the Operating Environment

Evaluate the impacts of climate change on TPEX’s operating environment and its stakeholders.

B Identifying Significant Climate-Related Risks and Opportunities

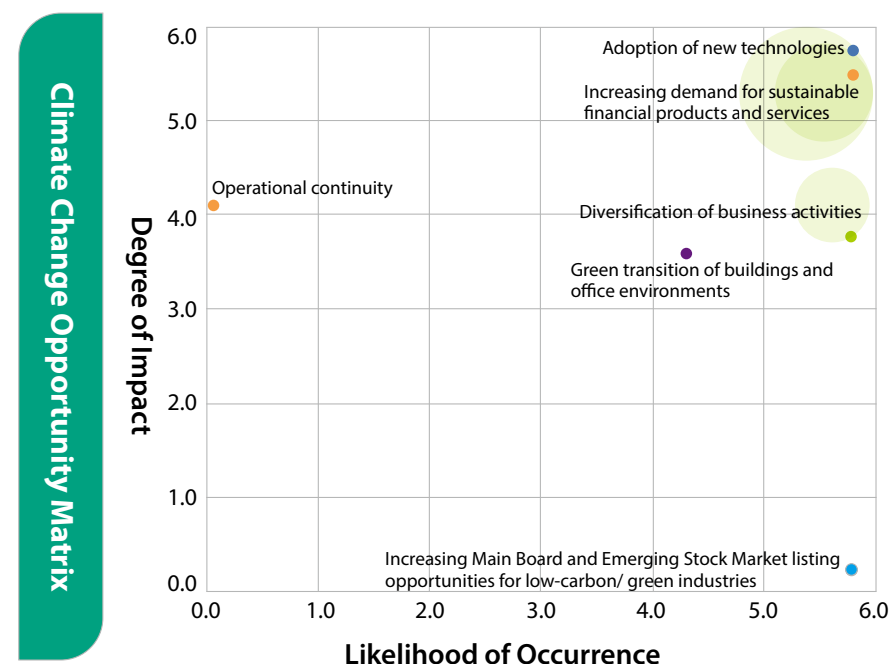
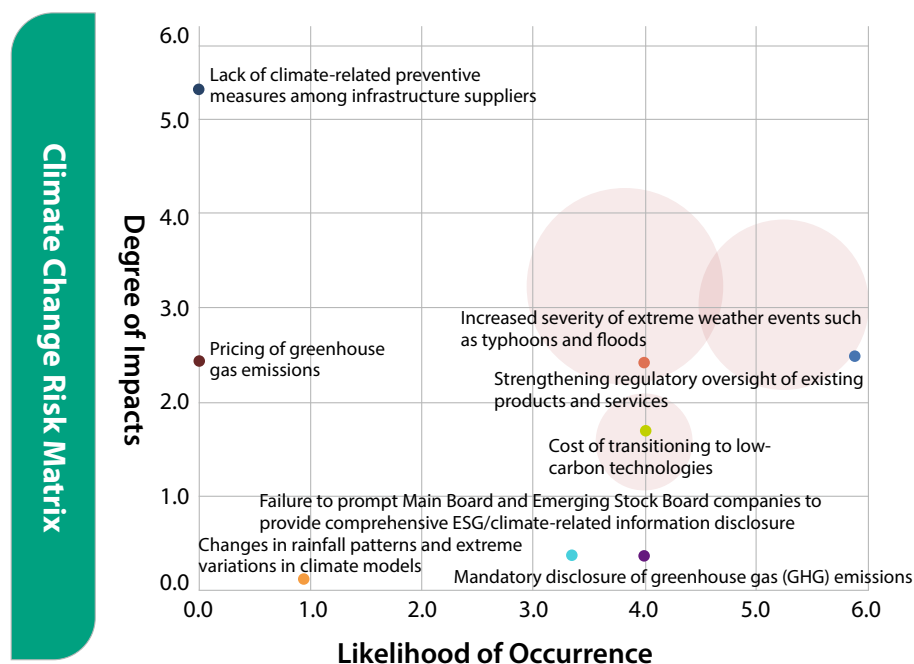
Establish a risk and opportunity matrix to identify significant climate-related risks and opportunities based on the “likelihood of occurrence” and the “degree of impacts/effects”.

C Formulating Response Strategies and Analyzing Financial Impacts and Response Costs

Develop response strategies for each major risk and opportunity, and analyze the potential financial impacts/effects and the associated response costs.

Results of Identifying Major Climate-Related Risks and Opportunities

TPEX developed risk and opportunity matrices based on the “likelihood of occurrence” and the “degree of impacts/effects”, and identified the top three climate-related risks and opportunities. Response strategies were formulated for the identified risks and opportunities, along with estimated financial impacts and associated response costs. The 2024 climate risk and opportunity matrices of TPEX are presented below:



Based on the aforementioned matrices, TPEX identified the top three climate-related risks and opportunities. The types and estimated time of occurrence for each are summarized in the tables below:

Table of Identified Climate-Related Risks

Risk No.	Risk Type	Risk Factor	Estimated Time of Occurrence
1	Immediate Physical Risk	Increased severity of extreme weather events such as typhoons and floods	Short-term
2	Transition Risk - Policy and Regulation	Strengthening regulatory oversight of existing products and services	Short-term
3	Transition Risk - Technology	Cost of transitioning to low-carbon technologies	Short-term

Table of Identified Climate-Related Opportunities

Opportunity No.	Opportunity Type	Opportunity Factor	Estimated Time of Occurrence
1	Opportunity - Energy source	Adoption of new technologies	Short-term
2	Opportunity - Products and services	Increasing demand for sustainable financial products and services	Short-term
3	Opportunity - Products and services	Diversification of business activities	Short-term

Note: Definition of time frames – Short-term: 2025; Mid-term: 2030; Long-term: 2050.

4.1.3 Climate Management Strategies

Response Strategies and Financial Impact Assessment for Major Climate-Related Risks

Risk 1 Increased Severity of Extreme Weather Events such as Typhoons and Floods

Due to the intensifying changes in extreme weather patterns, the frequency of severe events such as typhoons and floods is expected to increase. These events may lead to power outages, equipment failures, and work disruptions, which in turn could impact TPEX's regular operations and on-site inspection activities. Consequently, there is a heightened risk of reduced trading volumes, decreased revenue, and increased operational costs.

Impacts of Risk

Business Operation Sites or Locations of Physical Assets – Response Plans

- The increasing frequency and intensity of extreme weather events may result in equipment failures, more frequent office closures, and commuting disruptions for some employees due to flooding, thereby increasing the likelihood of interruptions across various business operations.

Financial Impacts

Revenue Reduction

- Market closures, system failures, or interruptions may prevent investors from executing trades. A resulting decline in trading volume could lead to a decrease in revenue.

Scenario Assumption: SSP5-8.5

	Short-term (2025)	Mid-term (2030)	Long-term (2050)
Estimated Financial Impact (NT\$ thousand/year)	68,337	84,628	116,172
Revenue Proportion	1.31%	1.62%	2.23%

Note: The proportion of financial impact to revenue is calculated based on TPEX's finalized total revenue in fiscal year 2024 (same calculation method applies hereafter).

Response Strategies

Response Plans for Business Operations or Facility Locations

- Maintain the effective operation of the business continuity management system, and regularly review and test disaster response and recovery mechanisms to ensure system stability and continuity during emergencies.
- Activate remote working arrangements to mitigate the impact of extreme weather events that may prevent employees from commuting to the office and disrupt regular operations.
- Strengthen employee education and training on disaster response to ensure sufficient understanding of risk reduction under various emergency scenarios.
- Purchase insurance for equipment potentially damaged by typhoons or floods (e.g., company vehicles) to transfer such risks.

Response Costs

Increase in Operating Costs

- Maintaining the effectiveness of the business continuity management system and ensuring the proper functioning of remote work equipment will lead to higher costs for building and maintaining related information systems (e.g., licensing fees for mobile device management systems, maintenance costs and labor for remote work systems, and business continuity management maintenance expenses).
- Conducting disaster response training and purchasing insurance will also result in additional expenses.

Response Cost	NT\$5.046 million per year
Revenue Proportion	0.10%

Risk 2 Strengthening Regulatory Oversight of Existing Products and Services

As regulatory requirements for ESG and climate-related disclosures and actions increase for TPEX-listed and Emerging Stock companies, and as market demand for sustainable finance continues to grow, TPEX will be required to enhance the oversight of greenhouse gas (GHG) disclosure and control. This will lead to an increase in regulatory costs.

If TPEX fails to effectively drive comprehensive disclosure from TPEX-listed and Emerging Stock companies, or is unable to adequately conduct eligibility reviews for sustainable bond issuers, it may result in inaccurate risk assessments by investors or raise market concerns, thereby damaging TPEX's reputation.

Impacts of Risk

Products or Services

- As market demand for sustainable finance continues to rise, failure by TPEX to effectively conduct eligibility reviews and supervise subsequent information disclosure for sustainable bond issuers, or delays in the development of sustainable financial products in line with international trends, may affect investor decision-making, trigger market concerns, and damage TPEX's reputation and investors' willingness to raise or allocate capital through TPEX.
- In response to heightened sustainability disclosure requirements from global supply chains and the Taiwanese government for TPEX-listed and Emerging Stock companies, if TPEX is unable to effectively drive comprehensive disclosure of sustainability-related information, it may reduce international visibility and impair investors' ability to assess risks, thereby affecting market stability and TPEX's reputation.

Response Strategies

Response Plans for Products or Services

- Promote the application process, procedures, and key points for sustainable bond issuance in conjunction with new products and systems each year. Establish a dedicated section on the TPEX website to provide regulatory information for companies and investors, and hold information sessions to brief issuers and securities firms.
- Continuously monitor international trends and respond to domestic market needs by exploring ways to expand the sustainable bond market and promote its internationalization. These efforts are expected to better align Taiwan's sustainable bond market with global practices and offer more diverse options for both issuers and investors.
- In line with the FSC's sustainability disclosure policy timeline, TPEX has established a dedicated IFRS Sustainability Disclosure Standards Alignment Portal and launched an ESG digital platform to assist TPEX-listed companies in preparing sustainability reports. In addition, TPEX provides outreach and training to help companies understand relevant regulations and reduce the burden of sustainability disclosure, while supporting the corporate governance evaluation system to guide companies toward voluntary adoption of best practices.
- Conduct regular reviews of annual reports and sustainability reports submitted by TPEX-listed companies to improve the quality of disclosed sustainability information.
- Promote ESG awareness among Emerging Stock companies by providing ESG-related regulatory updates on an ad hoc basis, encouraging these companies to plan in advance for ESG compliance timelines, and supporting their participation in ESG training programs to enhance their regulatory knowledge in line with government policies and international trends.

Financial Impacts

Revenue Reduction

- Failure to effectively supervise sustainable bonds may raise market concerns and damage the reputation of the TPEX market, leading to a decline in issuance volume, trading volume, and related business activities, thereby reducing revenue.
- If TPEX is unable to introduce sustainable financial products in line with market trends, the willingness of issuers and investors to participate in the TPEX market may be affected, resulting in a decrease in issuance volume, trading activity, and associated revenue.

Estimated Financial Impact	NT\$63.122 million per year
Revenue Proportion	1.21%

Response Costs

Increase in Operating Costs

- Establishing a dedicated section on the TPEX website to provide information on regulations related to sustainable bonds for corporate and investor reference, and organizing information sessions to brief issuers and securities firms on relevant systems. The development of new products also requires increased investment in R&D and international engagement.
- In addition to allocating manpower to monitor TPEX-listed companies' compliance with sustainability disclosure requirements, TPEX has built an IFRS Sustainability Disclosure Standards Alignment Portal and an ESG digital platform, and has launched various outreach efforts including sustainability-related training for TPEX-listed companies and short video content. These efforts have collectively increased operational costs.

Response Cost	NT\$24.316 million per year
Revenue Proportion	0.47%



Risk 3 Cost of Transitioning to Low-Carbon Technologies

In response to climate change, TPEX must promote low-carbon transformation and digitalization. If paper-based operations continue, it would not only result in greater consumption of paper and printing materials, but may also increase the carbon footprint of products and services. This could trigger market concerns and negatively impact TPEX’s reputation.

Impacts of Risk

Products or Services

- If TPEX fails to promote low-carbon transformation and continues to rely on paper-based operations, it would not only lead to time-consuming procedures and the need to store large volumes of physical documents, but also result in higher consumption of paper and printing materials, thereby increasing expenditures on paper products and toner cartridges. In addition, such practices may worsen the carbon footprint of TPEX’s products and services, trigger market concerns, and ultimately damage TPEX’s reputation.

Financial Impacts

Increase in Operating Costs

- Greater consumption of paper resources has led to higher expenditures on paper products and toner cartridges, resulting in a continuous increase in TPEX’s operating costs.

Estimated Financial Impact	NT\$1.393 million per year
Revenue Proportion	0.03%

Response Strategies

Response Plan for Products or Services

- In 2024, TPEX completed the development of its “Electronic Form Management System” and launched the first phase of form digitization. This initiative not only reduces paper consumption and waste disposal, but also accelerates internal workflows, enhances operational efficiency and accuracy, and lays a solid foundation for digital transformation.

Response Costs

Increase in Capital Expenditures and Operating Costs

- The implementation of the “Electronic Form Management System” has increased both capital expenditures and operating costs. These include investments in system development, software deployment, and manpower, as well as long-term system maintenance and personnel costs required to ensure system stability and security.

Response Cost	NT\$3.973 million per year
Revenue Proportion	0.08%



Response Strategies and Financial Impact Assessment for Major Climate-Related Opportunities

Opportunity 1 Adoption of New Technologies

By introducing digital technologies such as process automation and paperless operations, TPEX can enhance market services and management efficiency, reduce carbon emissions, and further strengthen its reputation.

Opportunity Impact Aspect		Response Strategy	
Products or Services <ul style="list-style-type: none"> By adopting new technologies such as process automation and paperless operations, TPEX can accelerate internal workflows, enhance service efficiency, reduce carbon emissions, and strengthen its reputation. 		Response Plan for Products or Services <ul style="list-style-type: none"> Implement automation tools to streamline highly repetitive, labor-intensive, and time-sensitive supervisory processes, thereby improving regulatory efficiency. Develop an electronic form management system to reduce carbon emissions and enhance internal operational efficiency. 	
Financial Impact		Response Cost	
Reduction in Operating Costs <ul style="list-style-type: none"> The adoption of process automation tools can reduce labor costs associated with routine tasks, while the development of an electronic form management system can decrease paper usage and printing operations, thereby lowering expenditures on paper and toner, and reducing overall operating costs. 		Increase in Capital Expenditures and Operating Costs <ul style="list-style-type: none"> The adoption of process automation tools and the development of an electronic form management system will increase both expenditures and operating costs. These include investments in information system infrastructure, software deployment fees, and personnel expenses. Long-term costs will also include system maintenance and manpower to ensure operational stability and security. 	
Estimated Financial Impact	NT\$1.410 million per year	Response Cost	NT\$7.638 million per year
Revenue Proportion	0.03%	Revenue Proportion	0.15%



Opportunity 2 Increasing Demand for Sustainable Financial Products and Services

In response to growing demand for sustainable financial products and services, TPEX can introduce ESG-related financial instruments such as sustainable bonds and sustainability-themed indices to meet the capital-raising and investment needs of market participants, expand the market, and increase revenue.

Opportunity Impact Aspect

Products or Services

- With growing investor demand for sustainable investments, TPEX may respond by developing sustainability-related indices and launching sustainable financial products such as ETFs, ETNs, and bonds. These initiatives can attract more investors and issuers to focus on sustainability issues, offer diversified options to market participants, and enable TPEX to expand its business and increase revenue.

Financial Impact

Increase in Revenue

- The development of sustainability-related indices and the promotion of sustainable financial products such as sustainable bonds, ETFs, and ETNs will enhance product diversity in the TPEX market. These efforts will support TPEX's business growth and contribute to an increase in service fee income.

Estimated Financial Impact	NT\$21.968 million per year
Revenue Proportion	0.42%

Response Strategy

Response Plan for Products or Services

- In line with international sustainability trends and market demand, TPEX will continue exploring ways to expand the product scope of the sustainable bond market, such as the introduction of climate transition bonds, with the aim of deepening the development of sustainable finance in Taiwan and encouraging both companies and investors to prioritize sustainability.
- In 2024, TPEX continued to plan index-based products aligned with market demand, enabling investors in the TPEX market to pursue responsible investment through sustainability-related indices and drawing greater attention from both issuers and investors toward sustainable development.

Response Cost

Increase in Operating Costs

- The development of sustainability-related indices and the launch of sustainable financial products such as ETFs, ETNs, and sustainable bonds will lead to increased expenses related to product development, system setup and adjustments, business promotion, and manpower.

Response Cost	NT\$1.471 million per year
Revenue Proportion	0.03%



Opportunity 3 Diversification of Business Activities

In response to emerging business opportunities driven by climate change, TPEX continues to maintain dedicated sustainability information webpages and offers climate-related and carbon reduction education and training programs. These include short video productions and online promotional briefings aimed at enhancing sustainability awareness among market participants while also strengthening TPEX's reputation.

Opportunity Impact Aspect

Products or Services

- As society places increasing emphasis on climate change-related issues, a variety of new business activities have emerged. These not only help improve the quality of sustainability disclosures by TPEX-listed companies, but also diversify TPEX's service offerings, enhance investors' willingness to engage in sustainable investments, and increase trading volume—ultimately contributing to higher revenue.

Financial Impact

Increase in Revenue

- Through diversified outreach efforts, TPEX can broaden the reach and accessibility of sustainability information, accelerate ESG awareness among OTC-listed companies, and improve the quality of sustainability disclosures. These efforts are expected to enhance TPEX's reputation and increase investor willingness to invest in sustainable financial products, thereby boosting trading volume.

Estimated Financial Impact	NT\$175.165 million per year
Revenue Proportion	3.36%

Response Strategy

Response Plan for Products or Services

- Establish and maintain dedicated sustainability information webpages to provide a convenient channel for accessing sustainability-related resources.
- Launch various climate change and carbon reduction education and training initiatives, such as establishing an IFRS Sustainability Disclosure Standards Alignment Portal, developing a digital platform for sustainability reports, producing short educational videos, and organizing online briefings. These outreach activities aim to raise ESG awareness among TPEX-listed companies and enhance TPEX's reputation.

Response Cost

Increase in Operating Costs

- TPEX must allocate manpower and budget to carry out diverse sustainability and carbon reduction outreach activities, resulting in increased operating costs.

Response Cost	NT\$4.469 million per year
Revenue Proportion	0.09%



4.1.4 Climate-Related Metrics and Targets

Item	Indicator	Target
Risk 1: Increased Severity of Extreme Weather Events such as Typhoons and Floods		
Resilience to Extreme Weather Events	<ul style="list-style-type: none"> • Maintain system stability and ensure continuous operation during disaster 	<ul style="list-style-type: none"> • Prevent interruption of any critical business operations beyond the Maximum Tolerable Period of Disruption (MTPD).
Risk 2: Strengthening Regulatory Oversight of Existing Products and Services		
Encouraging ESG Disclosure by TPEX-Listed Companies	<ul style="list-style-type: none"> • In alignment with the FSC's "Action Plan for the Sustainable Development of TWSE and TPEX Listed Companies" and the "Taiwan Roadmap for Aligning with IFRS Sustainability Disclosure Standards", TPEX will continue to promote and supervise sustainability disclosures by TPEX-listed companies, aiming to improve both compliance progress and disclosure quality. 	<ul style="list-style-type: none"> • Ensure that TPEX-listed companies comply with phased requirements for publishing sustainability reports and disclosing information such as greenhouse gas emissions and climate governance. • Ensure that TPEX-listed companies adopt the IFRS Sustainability Disclosure Standards in three phases: <ul style="list-style-type: none"> • By 2026: Companies with paid-in capital of NT\$10 billion or more • By 2027: Companies with paid-in capital of NT\$5 billion or more • By 2028: All remaining TPEX-listed companies
Promotion of Sustainable Financial Products	<ul style="list-style-type: none"> • Issue press releases, update dedicated website sections, and organize promotional briefings in line with the launch of new products and systems. 	<ul style="list-style-type: none"> • Set development and promotion timelines for sustainable financial products. • Conduct quarterly assessments to evaluate progress toward the planned development and promotion timelines.
Sustainability Trends and Product Offering	<ul style="list-style-type: none"> • Promote the sustainable bond market by organizing promotional briefings, seminars, or forums. • Organize ESG regulatory information sessions and encourage participation from TPEX-listed and Emerging Stock companies. 	<ul style="list-style-type: none"> • In accordance with the annual work plan, hold promotional briefings, seminars, or forums on the sustainable bond market each year. • Organize ESG regulatory briefings, requiring participation from qualified TPEX-listed companies and encouraging participation from other Main Board and Emerging Stock companies not yet subject to mandatory requirements.
Risk 3: Cost of Transitioning to Low-Carbon Technologies		
Promoting Digitalization	<ul style="list-style-type: none"> • Reduce the purchase of paper and toner cartridges. 	<ul style="list-style-type: none"> • Achieve a decrease in the quantity of paper and toner cartridges procured compared to levels prior to the launch of the electronic form management system.

Item	Indicator	Target
Opportunity 1: Adoption of New Technologies		
Implementation of Automation and Paperless Operations	<ul style="list-style-type: none"> • Complete the development of automated workflows according to the operational needs of each department and the implementation schedule set by the IT division. • Reduce the purchase of paper and toner cartridges. 	<ul style="list-style-type: none"> • Reduce manpower required for routine operational tasks. • Achieve a reduction in the volume of paper and toner cartridge procurement compared to levels prior to the launch of the electronic form management system.
Opportunity 2: Increasing Demand for Sustainable Financial Products and Services		
Expansion of Sustainable Product Offerings	<ul style="list-style-type: none"> • Explore the expansion of the sustainable bond product scope based on international sustainability trends and market demand, and promote broader issuance of sustainable development bonds. • Develop sustainability-related indices and promote ETFs and ETNs, with regular evaluation of progress. 	<ul style="list-style-type: none"> • Promote the listing of sustainable convertible corporate bonds, complete the development of a transition bond framework, and facilitate the issuance of sustainable development bonds. In parallel, develop sustainability-related indices and launch sustainability-themed index products to meet the capital-raising and investment needs of market participants, in line with international sustainability trends.
Opportunity 3: Diversification of Business Activities		
Provision of Sustainability Information and Climate Education	<ul style="list-style-type: none"> • Continuously maintain dedicated sustainability information webpages and provide education and training related to climate change and carbon reduction. 	<ul style="list-style-type: none"> • Offer accessible channels for sustainability information and training programs on climate change and carbon reduction to support TPEx-listed companies in aligning with relevant disclosure standards.



4.2 IMPLEMENTING LOW-CARBON OPERATIONS

4.2.1 GHG Inventory and Management

The TPEx primarily engages in securities trading and information services and does not conduct physical development or manufacturing activities. Currently, there have been no violations of environmental regulations or related complaints. Nevertheless, the TPEx is committed to operating as a green exchange and integrates environmental protection into its various operational policies, such as promoting digital administrative processes, selecting eco-friendly materials for equipment and consumables, encouraging energy conservation, and reducing paper consumption—to realize the vision of environmental sustainability. In addition, the TPEx has completed a solar power purchase agreement and obtained 357 Renewable Energy Certificates (RECs) issued by the Ministry of Economic Affairs, accounting for approximately 26.69% of its total electricity consumption in 2024.

Energy/Greenhouse Gas Emissions Management

In response to global climate change, environmental issues have become a shared concern for all global citizens, and ESG has emerged as a key indicator of corporate competitiveness. To move toward net-zero transformation, TPEx conducted its first greenhouse gas (GHG) inventory and registry in 2023 for the year 2022, in accordance with ISO 14064-1:2018. The inventory covered Scope 1 (direct GHG emissions and removals), Scope 2 (indirect GHG emissions from imported energy), Scope 3 (indirect GHG emissions from transportation)—specifically business travel—and Scope 4 (indirect GHG emissions from products used by the organization)—specifically emissions related to fuel- and energy-related activities (electricity). To enhance the credibility of the inventory and reporting, a third-party verification body was engaged to verify Scope 1 and Scope 2, allowing TPEx to comprehensively understand its emissions based on international standards and to formulate follow-up carbon reduction plans. The year 2022 was established as the base year.

In 2024, TPEx expanded the scope of its 2023 GHG inventory and verification. In terms of organizational boundaries, the Xindian warehouse and Taipower Building office were newly added. The inventory continued to cover Scope 1, Scope 2, Scope 3 (business travel), and Scope 4 (fuel- and energy-related activities), and included a new item under Scope 4: capital goods. As for third-party verification, in addition to ongoing verification of Scope 1 and Scope 2, Scope 3 (business travel) and Scope 4 (fuel- and energy-related activities) were added to the verification scope.

In 2025, TPEx will continue to conduct the 2024 GHG inventory and registry based on ISO 14064-1:2018, and in preparation for adopting the ISO 14068-1:2023 carbon neutrality standard, a third-party international verification body will be engaged for assurance. All business sites have now been included in the organizational boundary. The inventory scope will continue to include Scope 1, Scope 2, Scope 3 (business travel), and Scope 4 (fuel- and energy-related activities and capital goods), with an additional item under Scope 4: goods and services. In terms of verification, Scope 1, Scope 2, Scope 3 (business travel), and Scope 4 (fuel- and energy-related activities) will continue to be verified by a third-party international body, and Scope 4 (goods and services) will also be included in the verification scope.

For the 2024 GHG inventory conducted in 2025, TPEX adopted the operational control approach to define its organizational boundaries, covering the following facilities: Taipei Guting Office, Taipei Taipower Backup Office, New Taipei Banqiao Office, New Taipei Banqiao Data Center, New Taipei Xindian Warehouse, and Taichung Backup Data Center. The primary source of energy use is purchased electricity, comprising 73.31% conventional energy and 26.69% renewable energy, followed by gasoline consumption for official vehicles.

Energy consumption

Category	Class		2024	2023	2022
Category 1	Motor Gasoline (litres)		5,017.44	6310.68	5,397.01
	Motor Gasoline (GJ)		159.84	200.21	176.25
Category 2	Purchased Electricity	Non-Renewable (kWh)	977,838.97	963,503.26	1,049,427.53
		Non-Renewable (GJ)	3,520.22	3,468.61	3,777.94
		Renewable (kWh)	356,078.00	365,185.00	303,031.00
		Renewable (GJ)	1,281.88	1,314.67	1,090.91
Total Energy Consumption (GJ)			4,961.94	4,983.49	5,045.10
Energy consumption per unit (GJ／person)			16.32	16.45	17.58

Note 1: The data for 2024 and 2023 in this report covers the Taipei Guting Office, Taipei Taipower Backup Office, New Taipei Banqiao Office, New Taipei Banqiao Data Center, New Taipei Xindian Warehouse, and Taichung Backup Data Center. The 2022 data only covers the Taipei Guting Office, New Taipei Banqiao Office, New Taipei Banqiao Data Center, and Taichung Backup Data Center, and does not include the Taipei Taipower Backup Office or the New Taipei Xindian Warehouse.

Note 2: Figures for gasoline usage, purchased electricity, total energy consumption, and energy intensity are rounded to two decimal places using the rounding method.

Note 3: The gasoline consumption and electricity usage for the year 2023 were partially revised in 2025 following verification by BSI.

Note 4: Purchased electricity includes the use of renewable energy. For the Taipei Guting Office, Taipei Taipower Backup Office, and New Taipei Xindian Warehouse, electricity usage is based on the figures stated in the certificates issued by Taiwan Power Company. For the remaining sites, the figures are based on certificates issued by the respective building management offices.

Note 5: The calorific value coefficient for 2024 is based on the Ministry of Environment's announcement on February 5, 2024, which states that the calorific value for gasoline is 7,609 kcal/liter. For 2023 and 2022, the coefficient is based on Version 6.0.4 of the EPA's GHG Emission Factors Management Table, which states a value of 7,800 kcal/liter for gasoline.

Note 6: 1 gigajoule (GJ) = 10^9 joules (J); 1 kilocalorie (kcal) = 4,186.8 joules (J); 1 kilowatt-hour (kWh) = 3.6 megajoules (MJ).

Note 7: Energy intensity is calculated based on the number of employees as of December 31 of each respective year: 304 employees in 2024, 303 in 2023, and 287 in 2022.

Greenhouse Gas Emissions

Greenhouse Gas Emissions	Location based			Market based		
	2024	2023	2022	2024	2023	2022
Category 1- Direct Greenhouse Gas Emissions and Removals (tCO ₂ e)	13.34	16.43	13.95	13.34	16.43	13.95
Category 2- Indirect Greenhouse Gas Emissions from Imported Energy (tCO ₂ e)	632.28	656.37	688.4	463.5	475.97	534.16
Subtotal of Category 1 and Category 2 Emissions (tCO ₂ e)	645.62	672.8	702.35	476.84	492.4	548.11
Emission Intensity for Category 1 and Category 2(tCO ₂ e/ person)	2.12	2.22	2.45	1.57	1.63	1.91
Category 3 - Indirect Greenhouse Gas Emissions from Transportation (Business Travel) (tCO ₂ e)	85.09	47.97	N/A	85.09	47.97	N/A
Category 4 – Indirect Greenhouse Gas Emissions from Use of Products (Purchased Goods/Services) (tCO ₂ e)	156.17	101.07	N/A	156.17	101.07	N/A
Category 4 – Indirect Greenhouse Gas Emissions from Use of Capital Goods (Capital Goods) (tCO ₂ e)	48.26	98.41	N/A	48.26	98.41	N/A
Total Emissions(tCO ₂ e)	935.14	920.25	702.35	766.36	739.85	548.11
Total Emission Intensity (tCO ₂ e/person)	3.08	3.04	2.45	2.52	2.44	1.91

Note 1: The data for 2024 and 2023 presented in this report covers the Taipei Guting Office, Taipei Taipower Backup Office, New Taipei Banqiao Office, New Taipei Banqiao Data Center, New Taipei Xindian Warehouse, and Taichung Backup Data Center. The 2022 data only covers the Taipei Guting Office, New Taipei Banqiao Office, New Taipei Banqiao Data Center, and Taichung Backup Data Center, excluding the Taipei Taipower Backup Office and New Taipei Xindian Warehouse.

Note 2: Greenhouse gas emissions data for 2023 was revised in 2025 following verification by BSI.

Note 3: In accordance with ISO 14064-1:2018, electricity emissions are calculated using the location-based method, and market-based data may be additionally included to reflect the carbon reduction benefit from green electricity usage (a reduction of 168.78 tCO₂e in 2024).

Note 4: Greenhouse gas emissions are accounted for using the operational control approach. The calculation formula is: activity data × emission factor × GWP value. Emission factors for 2024 are based on the Ministry of Environment's announcement dated February 5, 2024; for 2023, they are based on the Environmental Protection Administration's GHG Emission Factor Management Table v6.0.4. GWP values are adopted from the IPCC Sixth Assessment Report (AR6, 2021) updated in 2024. If no update is available in AR6, values from the IPCC Fifth Assessment Report (AR5, 2013) are used.

Note 5: GHG emission intensity includes Category 1 and Category 2 emissions. Category 2 emissions are primarily derived from purchased electricity. The emission factor for electricity is 0.474 kg CO₂e/kWh in 2024, 0.494 kg CO₂e/kWh in 2023, and 0.509 kg CO₂e/kWh in 2022, based on annual carbon emission factors published by the Bureau of Energy, Ministry of Economic Affairs.

Note 6: Emission intensity is calculated based on the number of employees as of December 31 of each year: 304 employees in 2024, 303 in 2023, and 287 in 2022.

Note 7: The types of greenhouse gases covered include Carbon Dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur Hexafluoride (SF₆), and Nitrogen Trifluoride (NF₃).

Note 8: Category 4 emission sources in 2024 include "Upstream Emissions from Fuel and Energy", "Capital Goods", and "Purchased Goods and Services". In 2023, Category 4 covers "Upstream Emissions from Fuel and Energy" and "Capital Goods". In 2022, it only includes "Upstream Emissions from Fuel and Energy".

4.2.2 Carbon Reduction Measures

Electricity Management

In terms of electricity management, TPEX has adopted a responsibility zoning approach and conducts regular monitoring and management. Energy-saving lighting fixtures are used, and air conditioning systems are regularly cleaned and maintained to improve operational efficiency. Additionally, energy-saving awareness is periodically promoted among employees. For instance, staff are reminded to turn off air conditioning in unused spaces (such as meeting rooms), use lighting appropriate for office areas, and turn off lights when not in use. Prior to long holidays, employees are also reminded to shut off unused electrical equipment and unplug them. Furthermore, TPEX is actively procuring green electricity; in 2024, approximately 26.69% of its electricity use came from renewable energy sources. Other office locations are also in negotiation to implement similar measures.

Fuel Consumption Management

For fuel management, all departments at TPEX are equipped with public-use EasyCards to encourage employees to use public transportation for business trips. The use of official vehicles for personal purposes is strictly prohibited, and ridesharing is encouraged when vehicle dispatch is necessary. Regular maintenance and inspections are conducted to ensure vehicle performance and fuel efficiency.

Carbon Reduction Campaigns and Incentives

To enhance employees' awareness of sustainability, TPEX, in accordance with the resolution of the second Sustainability Development Committee meeting in 2023, organized a series of carbon reduction campaigns and incentive measures. These initiatives addressed aspects of daily life including food, clothing, housing, transportation, education, and recreation.



Aspect	Carbon reduction activities or incentives	2024 Implementation Results
Food	<ul style="list-style-type: none"> • Monthly Vegetarian Day • Employee Training on Sustainable and Healthy Eating 	<ul style="list-style-type: none"> • A “Vegetarian Day” campaign is held every month. As of the end of December 2024, a total of 3,297 instances of employee participation were recorded. • A series of general education courses related to healthy cooking and sustainable diets were arranged for employees, including: <ul style="list-style-type: none"> ▪ “Sustainable Ingredients: A New Dining Supply Chain for a Friendly Origin” on April 1, 2024 ▪ “Healthy Made Simple” on April 22, 2024 ▪ “Sustainable Eating: Green Table, Green Education” on July 9, 2024 ▪ “Healthy Mediterranean Diet” on August 14, 2024
Clothing	<ul style="list-style-type: none"> • Second-hand Clothing Donation Campaign 	<ul style="list-style-type: none"> • From January 15 to 22, 2024, the “Old Love Finds New Life – Second-hand Clothing Drive” was held, collecting a total of 13 boxes of second-hand clothing. All items were donated to the Eden Social Welfare Foundation to support underprivileged families.
Housing	<ul style="list-style-type: none"> • Electricity Saving Incentive Program 	<ul style="list-style-type: none"> • In the first and third quarters of 2024, the Banqiao Office achieved electricity savings of 5% and 3%, respectively.
Transportation	<ul style="list-style-type: none"> • Encouraging Stair Use Over Elevators 	<ul style="list-style-type: none"> • Employees are encouraged to take the stairs instead of using elevators when moving between floors during working hours.
Education	<ul style="list-style-type: none"> • Secondhand Book Donation Campaign • Environmental Education 	<ul style="list-style-type: none"> • From September 23 to 26, 2024, a “Find the Next Book Lover – Secondhand Book Recycling” event was held. In collaboration with Books.com.tw’s secondhand bookstore, donated books were appraised and all proceeds were donated to the Chinese Christian Relief Association’s “1919 Reading Program”. • On June 29, 2024, employees and their families participated in an environmental volunteer activity at Guandu Nature Park and visited the Chi Po-lin Space. Additionally, on July 20, employees and their families visited Ming Chuan University’s Department of Biotechnology aquaponics farm.
Recreation	<ul style="list-style-type: none"> • TPEX Charity Volunteer Activity 	<p>On March 23, 2024, TPEX organized a volunteer event where employees were encouraged to participate at the 1919 Food Bank warehouse in Bali. A total of 63 employees took part, collectively repackaging 3,933 kilograms of rice.</p>

4.2.3 Resource Management

Paper Resources Management

TPEX primarily consumes copier paper as its main material resource. In recent years, it has actively promoted process digitalization and paperless operations, aiming to improve operational efficiency, align with modern work practices, and achieve energy conservation and paper reduction.

Internally, TPEX requires staff to conduct approvals primarily through electronic official documents. In 2024, the number of electronically approved documents increased by 6,861 compared to the previous year, and the proportion of electronic approvals rose from 79.89% in 2023 to 81.43%. Meeting materials are mainly distributed via email to reduce printing, and when printing is necessary, double-sided printing is encouraged. Additionally, since 2022, TPEX has procured 100% recycled paper.

Externally, TPEX has continuously promoted digital operations and online filing services since 2015, replacing paper-based procedures with online submissions for listed and emerging stock companies. Issuers and intermediaries can download relevant information from the “TPEX Market Promotion Website” and complete online submissions via the Market Observation Post System’s electronic certification platform. TPEX also advocates for listed and emerging stock companies to join the electronic document exchange system to reduce the use of paper documents. As of December 31, 2024, 92.74% of such companies were using the electronic document exchange system.

Waste Management

TPEX’s primary operations involve securities trading and information services, without any physical development or production activities that could lead to pollution or waste concerns. Recycling bins are placed on every floor to facilitate waste sorting, and employees are required to carry out proper recycling. In addition, the office uses environmentally friendly toner cartridges, and 100% of the used cartridges are returned to the original manufacturer for proper disposal, preventing environmental pollution and resource waste.

Water Management

All TPEX’s water supply comes from the Taiwan Water Corporation, with no use of groundwater or other alternative sources. The organization’s operations do not impact water resources, and wastewater is discharged into the sewage system. In terms of water management, TPEX promotes water-saving practices among employees, installs water-saving devices, regularly cleans water tanks while conducting water quality tests, and conducts periodic inspections of water facilities.

Types of Downloadable Documents and Online Filing Services for TPEX-listed Companies

TPEX Website – Document Download Section for TPEX-listed Companies



Includes forms such as:

- Checklist of Required Matters for TPEX-listed Companies
- Filing Form for Press Conference on Material Information Disclosure
- Filing Form for Capital Increase and Trading of New Shares
- Filing Form for Capital Reduction
- Various Checklists and Q&A Compilations

Market Observation Post System – Electronic Certification Filing System



Online filings by TPEX-listed companies for new share listings, including:

- capital increases, cancellation of treasury shares, issuance of restricted employee shares, private placements of common shares, and renaming of listed shares for trading purposes.
- Mid-term engagement or resignation of recommending securities firms for emerging stock listings.
- Online listing of bonds.

4.2.4 Environmental Actions

Organic Rice Field Adoption and Donations to Social Welfare Organizations

Since 2016, the TPEX has annually commissioned the Xingjian Village Organic Agricultural Production Cooperative to cultivate organic rice fields. The rice produced is donated to disadvantaged groups through 19 social welfare organizations. Through adopting organic farmland, the TPEX aims to promote friendly, non-toxic, and organic farming practices, assist rural development and transformation, achieve ecological conservation, and simultaneously care for vulnerable families.



Afforestation

The TPEX actively responds to environmental issues by nurturing afforestation along coastal and mountainous areas in Keelung, Taoyuan, Taichung, Kaohsiung, Yilan, and Hualien. In 2024, the TPEX signed contracts with professional agencies such as the Forestry and Nature Conservation Agency of the Ministry of Agriculture to adopt over 38,000 tree seedlings. In addition to functions such as water conservation, windbreak and sand fixation, and landscape beautification, the TPEX also sponsors the restoration of protected forests. A healthy forest structure not only strengthens national land security but also maintains and creates biodiversity values.

Counties and cities	Number of plants planted	Planting species	Key features
Keelung City	1,000	Scaevola taccada, Ligustrum japonicum, Viburnum odoratissimum, Tristania conferta, Barringtonia asiatica	Wind protection, sand stabilization, landscape greening
Taoyuan City	1,000	Acer morrisonense, Chamaecyparis obtusa, Picea spp.	Watershed protection for reservoirs, enhancing climate resilience
Taichung City	1,700	Taiwan red maple, Picea spp., Chamaecyparis obtusa	Watershed protection for reservoirs, enhancing climate resilience
Kaohsiung City	150	Scaevola taccada, Hibiscus tiliaceus, Vitex negundo	Ecological habitat creation, conservation of Cieding Wetlands
Yilan County	6,750	Calophyllum inophyllum, Heritiera littoralis, Hibiscus tiliaceus, Bischofia javanica, Barringtonia asiatica, Melia azedarach, Ficus spp.	Protected forest maintenance, sand drift prevention, coastal biodiversity conservation
Hualien County	27,710	Taiwan red cypress (Chamaecyparis formosensis), Taiwania (Taiwania cryptomerioides), Alnus formosana, Fagaceae spp.	Sustainable forestry production

Supporting Environmental Education and Raising Environmental Awareness

To enhance employees' awareness of ecological conservation through firsthand experiences, TPEX organized several environmental education activities in 2024. These included inviting employees and their families to participate in environmental service at Guandu Nature Park and visit the Chi Po-lin Space on June 29, as well as a guided tour of an aquaponics farm on July 20.

During the environmental service activity at Guandu Nature Park, participants were first introduced to the park's ecosystem through a guided tour by professional interpreters. They then put on waders to remove duckweed and trash from drainage ditches to help maintain the wetland's cleanliness. Participants also assisted in tending saplings by removing weeds and vines, thereby creating a more suitable environment for tree growth. The visit to the Chi Po-lin Space featured powerful visual documentation that provided an aerial view of Taiwan's landscapes and historical footprints, inspiring deeper awareness and concern for the land.

In addition, TPEX organized a family day at Ming Chuan University's Taoyuan Campus, where employees and their families toured the aquaponics farm. With guidance from instructors in the Department of Biotechnology, participants learned about aquaponics as a resource-efficient and environmentally friendly method of food production. This system combines aquaculture and hydroponics in a symbiotic cycle, where fish support the plants and plants purify water for the fish, promoting sustainability through natural ecological interaction.



TPEX arranged for employees and their families to participate in an environmental service activity at Guandu Nature Park and visit the Chi Po-lin Museum on June 29.

Promoting Circular Economy Through Second-hand Clothing and Book Donation Activities

In 2024, TPEX launched the “Finding New Love for Old Clothes – Second-hand Clothing Donation” campaign. Ahead of the Lunar New Year, employees were encouraged to donate pre-loved clothing to those in need, thereby extending the value of garments and allowing more people to benefit. The campaign received enthusiastic support, resulting in the collection of 13 boxes of second-hand clothing, all of which were donated to the Eden Social Welfare Foundation. This initiative put love into action and supported disadvantaged families while promoting a cycle of giving.

Additionally, in September, TPEX held the “Finding the Next Book Lover – Second-hand Book Donation” campaign, encouraging employees to donate unused books. Partnering with the Books.com.tw second-hand bookstore, the donated books were appraised, and all proceeds were donated to the Chinese Christian Relief Association’s “1919 After-school Program”. This initiative not only reduced resource waste through book reuse, but also provided tangible support to social welfare organizations.



Old Love Finds a New Home – Used Clothes Collection



Find the Next Book Lover – Used Book Collection

Continued Benefits from the Green Energy Charity Program

TPEX has continued to generate positive outcomes through its collaboration with the Taiwan Green Energy for Charity Association, Sunnyfounder, and the Dr. Rednose in the “Green Energy Public Welfare Project”. This innovative model delivers quadruple value by combining green energy with social impact. Under this initiative, TPEX provides funding to support the installation of solar power facilities. In addition to promoting the development of the green energy industry, the proceeds from the sale of the generated electricity are donated to social welfare organizations, providing them with a stable source of funding for 20 years. As of 2024, TPEX has sponsored 37 solar panels under this program, with a total accumulated power generation of approximately 31,900 kWh.

CHAPTER 5

PROSPERING WITH THE COMMUNITY



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5.1 CREATING AN ENGAGING WORKPLACE

5.1.1 People-Oriented Philosophy

Our people-oriented approach

TPEX firmly believes that “talent” is the most important asset of an enterprise. Enabling every employee to work with peace of mind and fully utilize their expertise is a goal that TPEX continuously strives to achieve. In alignment with the principles of sustainable development and in treating all workers with dignity, TPEX not only complies with all relevant labor laws and regulations in Taiwan, but also recognizes and supports various international human rights conventions, including the Universal Declaration of Human Rights, the Ten Principles of the United Nations Global Compact, the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), and the International Labour Conventions. In accordance with the following implementation guidelines, TPEX remains committed to upholding human rights, offering stable compensation, establishing a generous benefits system and a quality work environment, aiming to maintain long-term employee relations, enhance job satisfaction, and create a happy workplace.



1. Diversity, inclusion, and equal opportunity.
2. Prohibition of child labor.
3. Prohibition of forced labor.
4. Creating a safe and healthy working environment.
5. Promoting employees' physical and mental well-being and work-life balance.
6. Establishing effective channels for labor-management communication.
7. Timely review and evaluation of human rights-related policies and actions.

Human Rights Policy and Commitment

TPEX has established compliant and appropriate policies, management systems, awareness campaigns, and training programs to protect employee rights and implement workplace equality. In addition to rigorously adhering to labor laws, TPEX regularly conducts awareness programs on gender equality and legal protections related to unlawful infringements encountered in the execution of duties.

2024 Employee Statistics

As of the end of 2024, TPEX employed a total of 304 full-time regular staff (all on permanent contracts), including 135 males and 169 females. In addition, there were 29 outsourced personnel (including drivers, security guards, cleaning staff, and office attendants), consisting of 19 males and 10 females. All employees, including senior management, are 100% local nationals. A breakdown of the workforce by gender, job level, and age is as follows:

✓ Classified by gender		✓ Classified by job level		✓ Classified by age	
Male	44.4%	Management level	5.26%	Under 30 years old	12.17%
Female	55.6%	Non-management level	94.74%	31-50 years old	60.53%
				Over 51 years old	27.30%

Note: Management refers to department managers (inclusive) and above, and senior management refers to the chief secretary (inclusive) or above.

The number of new hires and departures of full-time employees in FY 2024

Type	Age	Gender		Total
		Male	Female	
New recruits	Under 30 years old	8	7	15
	31-50 years old	4	2	6
	Over 51 years old	1	1	2
	Subtotal	13	10	23
Departing personnel	Under 30 years old	2	0	2
	31-50 years old	4	7	11
	Over 51 years old	5	4	9
	Subtotal	11	11	22

2024 full-time employee new entry and turnover rate

Type	Gender		Age			Total
	Male	Female	Under 30 years old	31-50 years old	Over 51 years old	
New recruits	4.28%	3.29%	4.93%	1.97%	0.66%	7.57%
Departing personnel	3.62%	3.62%	0.66%	3.62%	2.96%	7.24%

Employment Equality

TPEX ensures that there is no discrimination or differential treatment based on race, religion, nationality, gender, sexual orientation, or physical or mental disability in all aspects of recruitment, employment, training, rewards, promotion, or retirement. New employees are remunerated based on their academic and professional background as well as their certifications. During employment, salary increases and promotions are handled equally. Employees of the same job grade receive the same base salary, effectively implementing the principle of equal pay for equal work.

TPEX provides equal recruitment and employment opportunities to disadvantaged groups, such as persons with disabilities and indigenous peoples, as it does for all employees.

Their training, rewards, and promotion opportunities are also treated equally. In the past three years (2022–2024), TPEX employed a total of 6 persons with disabilities, which exceeds the statutory employment quota stipulated in the People with Disabilities Rights Protection Act, demonstrating TPEX’s proactive commitment to employment equality. As TPEX does not require employees to disclose whether they identify as indigenous, statistics on indigenous hires are currently unavailable.

Current Employee Grievance Mechanism

TPEX has established a whistleblower policy and maintains direct communication channels via the Chairman’s and President’s mailboxes. Employees may file complaints through these avenues. In 2024, no employee complaints were reported.

5.1.2 Compensation and Welfare Support

Labor-Management Meetings

The TPEX Labor-Management Committee consists of 10 labor representatives and 10 management representatives. To ensure that all departments have sufficient opportunity to express their opinions, labor representatives are elected through a vote by all employees, with the candidate receiving the highest number of votes in each department being elected. Labor-management meetings are held quarterly to coordinate labor-management relations, promote cooperation, and jointly pursue a sustainable future. In 2024, TPEX held four labor-management meetings. Agenda items included the employee leave system, replacement of office equipment, and purchase of fitness equipment. No major or extraordinary issues were discussed.

Employee Compensation

TPEX provides stable salaries, a comprehensive benefits system, and a quality working environment. In addition to ensuring equal treatment in promotions and salary increases, the company offers compensation above the statutory minimum wage. These measures aim to enhance employee satisfaction and foster a happy workplace.

TPEX Historical Minimum Starting Salary Standards and Comparison with Minimum Wage

Year	Minimum Starting Salary (Male)	Minimum Starting Salary (Female)
2022	1.68:1	1.79:1
2023	1.61:1	1.71:1
2024	1.66:1	1.76:1

Gender Pay Ratio over the Past Three Years

Year	Type	Male	Female
2022	Management level	1.00	1.06
	Non-management level	1.00	0.88
2023	Management level	1.00	1.27
	Non-management level	1.00	0.96
2024	Management level	1.00	1.15
	Non-management level	1.00	0.99

Employee Benefits and Subsidies

In addition to statutory rights such as labor insurance, national health insurance, and parental leave, TPEX offers a wide range of protections and subsidies to comprehensively care for its employees. TPEX is committed to fostering a healthy, joyful, harmonious, and balanced work environment, recognizing employees' physical and mental well-being as a valuable asset. Since employees are not engaged in high-risk or high-incidence occupational disease roles, no specific occupational health hazards are present. The organization provides a diverse array of welfare programs and comprehensive support for employees at all stages of life. This ensures that, while employees work hard, their health and families are also well taken care of.

Employee Benefits



Leisure Welfare

- Travel subsidy
- Employee team-building activity subsidy
- Subsidy for club and interest group activities
- Quarterly employee gatherings
- Birthday gift allowance
- Holiday bonuses (three major holidays)
- Special leave benefits exceeding legal standards
- Occasional events such as movie screenings, employee family days, and parent-child sports events



Family Support

- Childbirth subsidy
- Childcare and nursery subsidy
- Children's education subsidy
- Subsidies for weddings, funerals, and other major life events
- Retirement benefits exceeding statutory requirements



Health Protection

- Hospitalization subsidy
- Major disaster assistance
- Health check-up subsidy
- Group insurance coverage



Support for Continued Education

- Foreign language learning subsidy
- Subsidy for in-service master's degree programs
- Tuition subsidy for credit courses

Parental Leave Policy and Childcare Measures

All full-time employees at TPEx are entitled to parental leave in accordance with the law. With 56% of TPEx employees being women, many of whom are of childbearing age, the organization is committed to helping female employees balance their careers and family responsibilities. Comprehensive and thoughtful benefits are provided across all stages—from pregnancy and childbirth to breastfeeding and childcare. These include prenatal leave to accommodate pregnancy-related discomfort and allow for medical checkups, childbirth incentives, maternity leave, and paternity leave for spouses. Upon returning to work after maternity leave or parental leave, employees have access to a well-equipped lactation room and sterilizers in the office. In addition, family care leave and flexible working hours are available to support work-life balance. Educational subsidies are also provided for employees' children during their school years. In 2023, the return-to-work retention rate one year after parental leave reached 100%, reflecting TPEx's success in protecting employees' labor rights and supporting both staff and their families. No employees applied for parental leave in 2024.

Parental Leave Status in 2024

Item	Female	Male	Total
Number of employees eligible for parental leave in 2024	0	0	0
Number of employees who applied for parental leave in 2024	0	0	0
Number of employees scheduled to return from parental leave in 2024 (A)	0	0	0
Number of employees who returned from parental leave in 2024 (B)	0	0	0
Number of employees who returned from parental leave in 2023 (C)	1	0	1
Number of employees who returned in 2023 and remained employed for one full year as of 2024 (D)	1	0	1
Return-to-work rate (%) = B/A	N/A	N/A	N/A
Retention rate (%) = D/C	100%	N/A	100%

Subsidy Policy for Further Education

TPEx views talent as its most valuable asset. In the spirit of sustainable development, the organization encourages employees to pursue continuous learning and improvement. Each year, a diversified annual training plan is developed based on current talent development needs. The 2024 training programs focused on three main areas: Professional Training, International Language Proficiency, and General Education. These initiatives aim to enhance professional capabilities, stimulate creativity and workplace potential, and promote international development. To strengthen employees' professional skills and cultivate internationally competent talent, TPEx not only offers internal professional and management training programs but also sends selected employees to language training courses and overseas study visits organized by domestic and international professional institutions to broaden global perspectives. Furthermore, to support employees in advancing their professional expertise and developing secondary specialties, TPEx provides tuition subsidies for part-time master's degree programs in law or accounting and for credit-based programs. Employees who obtain professional certifications—such as attorney, certified public accountant (CPA), or securities analyst licenses—while in service are eligible for special salary adjustments as recognition of their achievement.

Employee Club Participation

To promote employee well-being and a healthy work-life balance, TPEx encourages the formation of employee clubs and provides financial subsidies to support their activities. As of 2024, there are 15 active clubs, including table tennis, badminton, tennis, basketball, baseball/softball, fitness, Tai Chi, swimming, yoga, mountaineering, photography, music and singing, Yuan Zhi (Wisdom), Christian fellowship, and cycling clubs. These clubs organize regular or occasional events, offering employees opportunities to engage in social and recreational activities beyond their daily work. By fostering a sense of community and encouraging active lifestyles, TPEx helps employees achieve a balanced, fulfilling, and happy life.



EMPLOYEE CLUB EVENTS IN 2024

Name of Events	Time	Location
The Tai Chi Club attended the 18th Securities Industry Tai Chi Demonstration Event	April 20	FSC 10th Floor Auditorium
The Softball Club hosted the 15th Securities and Futures Slow-Pitch Softball Tournament	April 21 and 28	Meiti Riverside Park
The Yuan Zhi Buddhist Club held a Filial Piety and Blessing Ceremony	May 2	TPEX 11th Floor Classroom
The Yoga Club participated in the 13th Securities and Futures Yoga Gathering	June 1	FSC 10th Floor Auditorium
The Basketball Club competed in the 12th Securities and Futures Basketball Tournament	August 17	National Taiwan Normal University Gymnasium
The Table Tennis Club joined the 37th Securities Cup Table Tennis Tournament	October 19	National Taiwan Normal University Gymnasium
The Badminton Club took part in the 21st Securities and Futures Badminton Gathering	November 9	Daan Sports Center
The Christian Fellowship hosted a Christmas Luncheon	December 18	TPEX 11th Floor Classroom
The Cycling Club hosted the "Cycling 30" event	December 1	From Taipei City to Tamsui Old Street

Family-Friendly and Cultural Family-Friendly and Cultural Activities

In 2024, TPEX organized a group outing to watch the Yomiuri Giants Exhibition Baseball Game, promoting a spirit of sportsmanship among employees while supporting Taiwanese baseball and athletic events. The activity fostered team bonding and encouraged a healthy lifestyle through sports appreciation. Additionally, TPEX hosted a theater outing for Greenray Theatre's performance of "The Human Condition", encouraging employees to engage in cultural and artistic experiences. Through this theatrical production, employees were able to enhance their appreciation for the arts and humanities, gain personal reflection and insight, and transform those inspirations into motivation for professional growth.



The Yoga Club participated in the 13th Securities and Futures Yoga Gathering



The Table Tennis Club joined the 37th Securities Cup Table Tennis Tournament



The Cycling Club hosted the "Cycling 30" event

5.1.3 Talent Development

In line with its “people-oriented” philosophy, TPEx develops a diversified annual training plan each year based on its talent development needs, aiming to cultivate professionals with a spirit of sustainable growth. To effectively monitor employee performance and support their continuous improvement, TPEx has established an annual performance evaluation system. In 2024, 100% of employees who had served for more than six months completed their performance appraisals, ensuring alignment between individual development and organizational growth.

Types of Internal Training Courses		Examples of Course Content
Professional Training	Focused on the themes of “Professional Value” and “Innovative Products”. “Professional Value” covers areas such as global economic trends, digital technology, AI intelligence, and industry practices. “Innovative Products” include financial innovation products, digital innovation, new regulations, or the launch of new business initiatives.	<ul style="list-style-type: none"> • Taiwan Carbon Credit Trading and Market Outlook • Industry Applications of ChatGPT / Trends in Generative AI Applications • Big Data and Business Analytics – E-commerce, Advertising, and Customer Management • Practical Analysis of Stress Testing for Banks and Securities Firms • Sharing of Practical Experience in Financial Crime Investigation • Overview of the Precision Medicine Industry and Company Introduction • Current Status and Trends of International Carbon Pricing and Carbon Credit Trading • The Carbon Wave: Overview of Carbon Credit Formation and Trading Systems, Data Governance and Data Quality • Development and Application Analysis of Generative AI in Smart Healthcare • Analysis of Cryptocurrency-related Criminal Activities
International Language Proficiency	<ul style="list-style-type: none"> • Foreign Language Study Subsidy: Different subsidy amounts are provided based on the target group to effectively enhance individualized foreign language abilities, encouraging employees to pursue continuous learning. • Subsidized Languages: Business English, Japanese, or other approved national languages authorized through official approval. 	
General Education	Includes statutory general education, management general education, and humanities general education.	<ul style="list-style-type: none"> • Statutory General Education: Conducts management courses such as “Information Security Training and Personal Data Protection Act”, “Corporate Integrity and Whistleblowing System”, “Fire Safety Training”, “Occupational Safety and Health Regulations”, and “Gender-Friendly Workplace and Sexual Harassment Prevention Case Studies”. • Management General Education: Offers management courses including “Talent Deployment and Coaching Skills”, “Upward and Downward Communication and Transmission”, and “Building High-Quality Teams and Corporate Culture for a Better Future”. • Humanities General Education: Provides soft skill courses such as the “Competency Enhancement Series”, “Sustainable Low-Carbon Series”, and “Healthy Living Series”, covering essential workplace skills, environmental-friendly lifestyles, sustainable food and friendly dining, health and stress relief, physical fitness, travel knowledge, and green floral art creation.

Talent Development Policy

The primary goal of talent training is to enhance the professional capabilities of the workforce, stimulate employees' workplace potential and creativity, and cultivate proactive international professionals. This initiative aims to improve human capital efficiency and support the TPEX's internationalization efforts. In 2024, the training program continued to focus on three key areas: Professional Training, Foreign Language Proficiency, and General Education, to foster a highly skilled and globally competitive workforce.

Employee Training Programs and Implementation

In addition to internal training courses, TPEX also encourages employees to participate in training and study programs organized by domestic and international professional institutions. These initiatives aim to strengthen both core and interdisciplinary expertise. In 2024, the total number of internal and external training hours completed by TPEX employees reached 19,460.5 hours, averaging 64.01 hours per person. This demonstrates TPEX's strong commitment to professional development and global competitiveness.

Statistics on the number of internal and external education and training hours of employees in the past two years

	2023	2024
Training hours	19,060	19,460.5
Number of employees	303	304
Average number of hours of training for employees	62.90	64.01

Training Satisfaction Survey

To evaluate the effectiveness of employee training, TPEX conducts an annual satisfaction survey. Feedback collected from employees is used as a reference for future training program planning. In 2024, 100% of respondents indicated that the core and general education training hours provided by TPEX were sufficient.



2024 Mid-Level Management Training Program

Job Rotation and Performance Incentive Mechanism

To enhance organizational efficiency and ensure talent is matched to suitable roles, TPEX has established "Guidelines for Employee Job Rotation", with regular interdepartmental rotations. In 2024, a total of 21 non-managerial employees were reassigned to different departments based on their expertise, educational background, and personal interests. All employees with over six months of service undergo performance evaluations. In accordance with the "Employee Incentive Guidelines", those who propose innovative ideas, engage in product or business research, manage projects or events, or demonstrate outstanding contributions are eligible for performance rewards. TPEX remains committed to cultivating top talent through a comprehensive career development framework.

5.1.4 Employee Care

TPEX firmly believes that talent is the most valuable asset of an organization. A healthy workplace fosters employee well-being, enabling individuals to work with peace of mind and fully leverage their expertise. TPEX is committed to building a comprehensive health management system and continuously promotes health-related activities to cultivate a culture of workplace wellness.

Occupational Health Services and Related Measures

Safeguarding Physical and Mental Health



- Health examination subsidies are provided, along with one day of paid leave for undergoing medical checkups.
- Implementation of various occupational health programs, including ergonomic hazard prevention, prevention of illness induced by excessive workloads, protection against unlawful acts in the workplace, and maternal health protection plans.
- Employment of a full-time occupational health nurse and appointment of contract physicians who provide monthly health education and consultation three times per month.
- To enhance group immunity, TPEX organized two vaccination events for influenza and COVID-19, with approximately 186 participants in total—achieving a combined vaccination rate of nearly 60%.
- A range of health-related workshops were conducted, including stress relief, healthy eating, and lifestyle wellness programs.



Enhancing the Work Environment

- Regular disinfection and cleanliness of the workplace are carried out, along with routine carbon dioxide concentration testing to ensure a safe working environment.
- A gym is available for employees, with regular maintenance and equipment upgrades to ensure safety and usability.

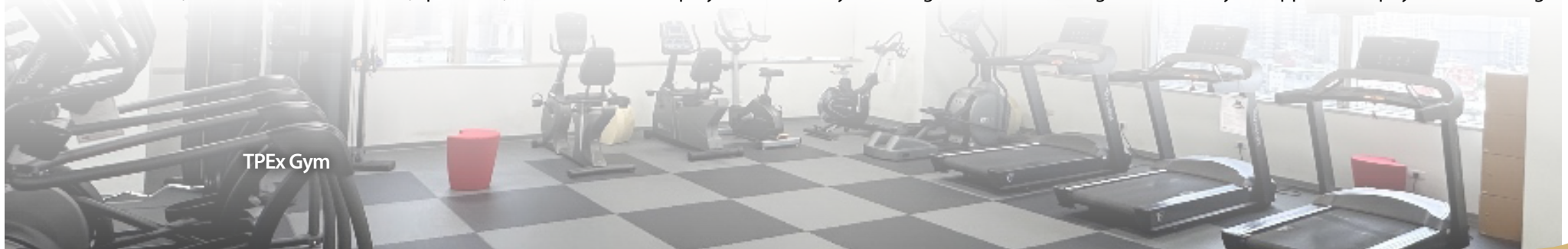


Comprehensive Emergency Response Measures

- Annual air raid and earthquake evacuation drills are conducted.
- Annual fire safety drills are organized to raise emergency awareness.
- First aid personnel receive training in occupational health and safety and are provided with periodic refresher courses.
- Automated External Defibrillators (AEDs) are installed on-site to ensure readiness in the event of cardiac emergencies.

TPEX Gym

To encourage employees to develop regular exercise habits, TPEX has established a dedicated gym within its office building. This facility allows staff to make effective use of breaks during the workday to engage in physical activity. TPEX continues to expand the gym space and upgrade its equipment, which includes treadmills, recumbent and upright bikes, abdominal benches, back extension machines, spin bikes, and dumbbells. Employees are actively encouraged to take advantage of the facility to support their physical well-being.



TPEX Gym



5.2 PROMOTE THE SUSTAINABLE DEVELOPMENT OF SOCIETY

5.2.1 Cultivating Innovation Momentum

“GISA Plus” – A New Scheme to Support Startups

TPEX has long been a proponent of social innovation and is committed to fulfilling its corporate social responsibility. The Go Incubation Board for Startup and Acceleration Firms (GISA) was established to support the development of micro-, small-, and medium-sized innovative enterprises. GISA provides essential resources to help companies strengthen their foundations, enhance visibility, and accelerate growth.

In line with the government's policy to promote diverse revitalization and development of micro and small enterprises, especially those in innovation, entrepreneurship, and youth startups. TPEX collected feedback from stakeholders through interviews and surveys. As a result, TPEX launched the enhanced GISA Plus scheme on January 9, 2025, aiming to broaden the pool of recommending entities, simplify the application process, include a wider range of companies for guidance, and strengthen promotional and matchmaking services to better prepare firms for entry into the capital market.

The GISA Plus scheme includes several key enhancements. These include expanding the list of recommending institutions to include securities underwriters, joint CPA firms and CPA associations, venture capital and private equity associations and their members. In addition, enterprises that have received investments from the National Development Fund, grants under the Ministry of Economic Affairs' SBIR or SIIR programs, or are established science-based companies in science parks are now eligible to directly apply for guidance. The new system also streamlines required documentation, including the business plan and statement of innovation and creativity, and extends the validity period of these statements. Additional measures include requiring companies to have their most recent fiscal year financial statements audited and certified by CPAs prior to GISA registration., increasing pre-listing fundraising flexibility, allowing companies to choose the start time for CPA-led guidance, and promoting tiered guidance programs, resources, and initiatives such as the “GISA Plus Elite Award” to support qualified enterprises.

To promote and implement the concept of social innovation, TPEX has adopted the following measures:

- ✓ TPEX continues to support the development of social innovation enterprises by inviting GISA board companies to participate in major domestic exhibitions and by organizing investment and business matchmaking events. These efforts aim to assist social enterprises in raising capital and expanding business opportunities by directly connecting with potential corporate partners or investment institutions, thereby acquiring the resources necessary for their operations.
- ✓ As of December 31, 2024, there were 107 companies listed on the GISA board, among which 16 companies, approximately 15% were identified as social enterprises and registered in the “Social Innovation Enterprise Database” maintained by the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs.

Promoting Women's Entrepreneurship Development

In alignment with the gender equality promotion plan set by the Financial Supervisory Commission (FSC), TPEX continues to monitor and advance issues related to the development of women's entrepreneurship. With the goal of stimulate national economic growth, TPEX is committed to building a sound capital market and leveraging the multi-tier structure of its market to channel financial resources to support the growth of micro, small, and medium-sized innovative enterprises. According to the 2024 White Paper on Small and Medium Enterprises, there were 1,673,557 business owners in 2023 whose gender could be identified. Among them, 625,175 were female business owners, accounting for 37.35% of all SME owners in Taiwan. Compared to 2022, the number of female SME owners increased by 19,098, representing an annual growth rate of 3.17%.

TPEX has long collaborated with government agencies to provide comprehensive support to female entrepreneurs. In 2024, TPEX partnered with the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs, to promote the Women Entrepreneurship Flying Geese Program. This included organizing one Women Entrepreneurs Salon and Trend Forum, along with two entrepreneurship skill-building workshops. Through these activities, TPEX introduced GISA resources to female entrepreneurs and hosted thematic sessions to enhance their financial literacy, entrepreneurial capabilities, and understanding of global industry trends and economic developments. The events attracted approximately 500 participants. Utilizing the "lead goose guiding young geese" model, TPEX helped female entrepreneurs expand business opportunities and deepen their entrepreneurial and management knowledge.

2024 TPEX ENTREPRENEURSHIP AND WOMEN'S ENTREPRENEURSHIP RELATED ACTIVITIES



May 18, 2024
"Entrepreneurs' Fundraising Capabilities and Crowdfunding" Workshop

TPEX invited senior executives including the general manager of a technology company, the co-founder of a crowdfunding platform, and the managing partner of an accounting firm to deliver keynote speeches. TPEX also introduced GISA as a funding and development platform tailored for startups and entrepreneurial ventures.

August 10, 2024
"Maximizing the Value of Shareholders, Strategic Partners, and Government Resources" Workshop

This workshop was designed to help early-stage women entrepreneurs effectively secure funding, engage in entrepreneurial activities, and form strategic partnerships to rapidly scale their business. A managing partner from an accounting firm discussed the operational and financial impact of shareholder investment. The workshop also featured a dedicated session in which TPEX shared practical strategies on utilizing GISA resources to accelerate brand development and business growth.

October 7, 2024
Women Entrepreneurs Salon and Trend Forum

TPEX hosted a salon event featuring a keynote speech by a researcher from the Net Zero Office of the Ministry of Economic Affairs and the Taiwan Institute of Economic Research. The event included experience-sharing sessions by TPEX and female executives, such as chief operating officers from women-led companies, focusing on sustainable growth and market insights.



Photo of Women Entrepreneurs Salon and Trend Forum

5.2.2 Promoting Financial Literacy

TPEX remains committed to safeguarding investor rights and enhancing the overall financial literacy of the public. In alignment with prevailing market trends and public policy directives, TPEX developed and implemented a diverse range of financial education programs and outreach initiatives throughout 2024. These efforts were tailored to meet the needs of different stakeholders and encompassed key topics such as basic financial knowledge, anti-fraud awareness, capital market education, and ESG-related literacy. Target audiences included retail investors, university students, innovative enterprises, and financial professionals.

Investor Education and Anti-Fraud Awareness

Name of the course/activity	Core content	Participant	Execution results
Investor Seminars	Seminars were organized to provide participants with insights into economic outlooks, TPEX-listed products and mechanisms, and information on how to prevent investment fraud.	General Investors	A total of 27 seminars were held throughout the year, combining in-person sessions with live online broadcasts. Each session attracted over 50 participants on average.
Online Anti-Fraud Interactive Game	An interactive online game simulated common investment scam scenarios, such as fake investment platforms and AI-generated voice and video fraud, to educate investors in an engaging way while raising their vigilance.	General Investors	Two large-scale online events were organized, drawing a cumulative participation of over 90,000 individuals.
Financial Services Public Welfare Carnival	TPEX hosted a booth offering educational anti-fraud games, interactive Q&A sessions, and real-life scam case studies to enhance public understanding of fraudulent tactics.	General Public and Family Groups	Events were held in Tainan and Taipei, specifically targeting families and older adults to enhance intergenerational awareness of financial fraud prevention.
ESG × Investment Education Campaign	In collaboration with The News Lens, TPEX launched a festive online campaign titled “Draw a Fortune for the Planet” during the Lunar New Year, integrating ESG awareness with investment education through a themed digital lottery experience.	General Public and ESG-Oriented Investors	Through thematic activities, TPEX promoted awareness and engagement with sustainable financial products, encouraging participation from individuals interested in ESG investing.

Financial Literacy and Fraud Prevention for Youth

Name of the course/activity	Core content	Participant	Execution results
“Fraud Prevention Vanguard – Stay Sharp in Your Youth” Campus Campaign	In collaboration with the Taiwan Stock Exchange and financial institutions, TPEX conducted campus tours across universities and colleges to explain common financial fraud schemes.	College students	Awareness sessions were held at 75 higher education institutions, aiming to build fraud prevention resilience among youth. Students were also encouraged to influence their families and create an intergenerational fraud prevention network.
17th “TPEX Financial Elite Camp for College Students”	A dual-track program combining online courses and an investment portfolio competition was launched to cultivate students’ financial knowledge and practical market experience.	College students	A total of 149 teams comprising 551 students participated. Among them, 94 teams (363 students) completed the online learning and submitted final reports. The top 10 teams advanced to the finals for in-person presentations and evaluations.

Professional Guidance and Sustainability Courses for Issuers

Name of the course/ activity	Core content	Participant	Execution results
Greenhouse Gas Inventory Workshops	The course covered the latest domestic and international developments in GHG management, introduced relevant GHG inventory standards, and included practical exercises and calculations for Scope 3 emissions.	TPEX-listed companies	A total of 5 sessions were held
Information reporting course for ESB companies	This course included operational guidance on using the Market Observation Post System (MOPS), key regulations and reminders related to information disclosure, as well as procedures for shareholder meetings and ex-dividend/ex-rights declarations.	Finance and accounting personnel from Emerging Stock companies	Quarterly sessions were conducted, each attracting around 50 companies, helping enhance the quality of information disclosure.
iXBRL Filing Awareness Seminar	The seminar introduces the basic concepts, application process and data structure of iXBRL.	Listed companies' information units	Four training sessions were held to strengthen participants' familiarity with the disclosure system and improve filing efficiency.
Seminar on Key Matters for TPEX-Listed and Emerging Stock Companies	The seminar featured four major topics: recent amendments to material information regulations, key points in information disclosure, internal control issues (including cybersecurity audit deficiencies), and common deficiencies in sustainability reports. Through practical case sharing, the sessions supported companies in complying with legal requirements, enhancing disclosure quality, and strengthening their internal control and audit systems.	TPEX-listed and Emerging Stock companies	One online session was held to help companies enhance corporate governance practices.

Training for Industry Professionals and Promotion of Market Regulations

Name of the advocacy meeting	Course focus	Participant	Execution results
Seminar on "Standards for securities firms' internal control systems"	Introduced and explained the 2024 amendments to the standards for internal control systems applicable to securities firms.	Internal auditors and self-assessment personnel from securities firms' head and branch offices	A total of 12 sessions were jointly held in collaboration with the Taiwan Stock Exchange and other relevant organizations.

5.2.3 Support Social Welfare

Actively Supporting Public Welfare

Upholding the principle of "giving back to society what is taken from society", TPEX explicitly stipulates in its Articles of Incorporation that a certain percentage of its after-tax profit from the previous year must be allocated for social welfare donations when preparing the annual budget. Furthermore, the "Public Donation Management Regulations" are in place to govern the principles and mechanisms for these donations. To effectively utilize donation resources and promote social welfare through various channels, in 2024, TPEX regularly assessed the needs of various social welfare and public interest organizations across several key areas: "Healthcare Support", "Support for Vulnerable and Social Welfare Groups", "Support for Cultural and Sports Activities", and "Environmental Care". After careful evaluation, resources were provided to those in need. In 2024, the cumulative donation amount totaled approximately NT\$49.66 million.

Caring for the Elderly

TPEX aims to ensure that all seniors receive appropriate care services through multifaceted assistance. In 2024, TPEX sponsored the “Hot Meal Program for Disadvantaged Elderly Living Alone” by the Hondao Senior Citizen's Welfare Foundation and the “Care Program for Isolated and Unaccompanied Seniors” by the China Long-Term Care Association. These initiatives are designed to protect seniors from hunger, provide them with nutritious meals and diverse care, and ultimately ensure they receive comprehensive long-term care services.



Medical Support

TPEX has a long-standing commitment to supporting healthcare. In 2024, we donated to hospitals under the Ministry of Health and Welfare, including Puzi Hospital, Sinying Hospital, Hengchun Tourism Hospital, and Penghu Hospital. This support helped them replace or acquire new medical equipment, improving healthcare quality and providing better medical services for the public. Additionally, through the Ministry of Health and Welfare's public fundraising management system, we identified and funded various medical-related initiatives. These include the “Penghu Huimin Hospital Reconstruction Project”, “South-Link Mobile Medical Outreach”, “Taitung Christian Hospital Public Welfare Project”, and “St. Paul's Hospital New Campus Construction Fund”. Our goal is to help bridge the healthcare gap in remote areas.



Embracing the philosophy of “a bag of blood saves a life”, TPEX has annually co-hosted the “Finance with Love, No More Blood Shortages” blood drive since 2011. This event is organized in conjunction with the Taiwan Academy of Banking and Finance, the Taiwan Futures Exchange, and the Taipei Blood Center. In 2024, the blood drive was held on August 8. To encourage public participation, we provided scheduled shuttle services from Guting MRT Station to the Taiwan Academy of Banking and Finance for blood donation and provided appreciation gifts to blood donors during the event.



Jointly organized a blood donation drive with relevant organizations

Donations to the Disadvantaged

TPEX is dedicated to caring for vulnerable groups and fulfilling its social responsibilities. In addition to supporting isolated seniors through the Hondao Senior Citizen's Welfare Foundation's “Hot Meal Program for Disadvantaged Elderly Living Alone” and the Chinese Long-Term Care Association's “Care Program for Isolated and Unaccompanied Seniors”, we also extend our support to other key areas. For economically disadvantaged new residents, TPEX sponsors the Pearl S. Buck Foundation, Taipei's “Scholarship Program for Economically Disadvantaged Children of New Residents”. This initiative helps these children acquire vocational skills, which in turn strengthens their employability. To assist individuals with disabilities, TPEX supports the Father Aloysius Michael Social Welfare Foundation's “2025 Fundraising Program for Diversified Services for People with Disabilities”. This program provides essential residential care, daily living support, and rehabilitation services to empower individuals with disabilities toward independent living. Furthermore, TPEX sponsors the Heng Shan Foundation to assist disadvantaged families with home repairs, helping vulnerable groups overcome life's challenges.



Donation Ceremony of TPEX Family Hand-in-Hand Supporting Public Welfare: Sending Love to 1919 Food Bank

Since 2013, TPEX has consistently supported the public welfare initiatives of the 1919 Food Bank. To further amplify its philanthropic impact, TPEX began inviting listed and emerging companies to join these charitable efforts in 2015. In 2024, these collaborative contributions totaled NT\$2.9506 million, along with 6,300 kilograms of rice and numerous other essential daily supplies. To commemorate these significant contributions, TPEX hosted a “TPEX Family Hand-in-Hand Supporting Public Welfare: Sending Love to 1919 Food Bank” donation ceremony on January 24, 2025. During the event, the 1919 Food Bank elaborated on their methodology of “redistribution, revalorization, and reutilization”. They demonstrated how this approach not only addresses food shortages but also promotes sustainable community development, reduces waste, and protects the environment, offering the attending TPEX family representatives a profound understanding of the true meaning of sustainability. Furthermore, TPEX also supports the “Finance with Love – Food (Resource) Bank” joint donation event, organized by the Taiwan Futures Exchange. Through these tangible actions, TPEX embodies its corporate care philosophy and fulfills its social responsibilities, continuing to contribute positive energy to society.

Promoting Employment

To support disadvantaged groups and foster their employment development, TPEX actively procures products made by these organizations. In 2025, for example, TPEX collaborated with securities firms and investment trust companies to select handmade soaps crafted by the “Little Shells Workshop” of the Taipei Autism Parents' Association as gifts for 27 “TPEX Market Investor Seminars”. This initiative supports the association's efforts to train individuals over 18 years old with moderate to severe intellectual disabilities. Through skills coaching and learning, the program helps these individuals build self-sufficiency. By implementing green procurement and fulfilling its social responsibilities, TPEX is working together with various sectors to promote ESG sustainable values.



Inclusive Education

To help outstanding young individuals in Taiwan gain a deeper understanding of capital market development, TPEX has annually hosted the “Financial Elite Camp for College Students” since 2008. In 2024, a total of 551 students from 46 universities and colleges across the country formed 149 teams to register for the “Financial Elite Camp for College Students” online training program. Among them, 58 teams, comprising 603 individuals, completed the online courses and submitted presentation videos to advance to the final stage of the competition. On October 4th, 10 teams participated in the lively final competition and awards ceremony.



Reflection from the First-Place Team of the 2024 Financial Elite Camp for College Students:

Participating in the 2024 Financial Elite Camp for College Students organized by TPEX has been a truly rewarding experience. The experts’ clear and insightful explanations deepened my understanding of financial investment, capital market operations, and the application of various financial instruments. Through case studies and interactive discussions, I not only grasped fundamental concepts but also acquired practical skills in risk management and asset allocation.

This program greatly broadened my financial perspective, sparked a strong interest in the financial industry, and reinforced the importance of integrating theory with practice. I am committed to continuing my learning journey, enhancing my professional competence, and striving to shine in the field of finance.

To encourage the financial industry to fulfill its social responsibilities, TPEX makes ongoing contributions to the “Financial Services Education Charity Fund”, established by the Bankers Association of the Republic of China. This fund supports young students from disadvantaged families in completing their education and provides financial literacy courses, promoting inclusive finance. In line with the “social care” principle of education policy, TPEX annually supports the “Ministry of Education – School Education Savings Account” initiative championed by the Taiwan Stock Exchange (TWSE). This joint effort helps economically disadvantaged students successfully complete their studies.

To enhance the financial employment competitiveness of university students from economically disadvantaged backgrounds and help them secure positions in finance-related industries, TPEX has responded to the call from Taiwan Depository & Clearing Corporation (TDCC). In collaboration with the Taiwan Stock Exchange (TWSE), Taiwan Futures Exchange (TAIFEX), and other financial, securities, and futures market participants, TPEX has established the “Financial Literacy for Youth Program”. This program invests financial industry resources into these economically vulnerable university students, assisting them with financial professional license examinations and connecting them with financial employment opportunities.

Additionally, TPEX supports vulnerable students' education by donating to student aid programs at Family Support Centers across northern, central, and southern Taiwan. We also provide long-term support for initiatives such as the National Performing Arts Center's National Theater & Concert Hall's “Art Zero Distance: Dual Island In-depth Education Project” and the Taiwan Aboriginal Voices Education Association's Indigenous Education Service Project. These programs aim to increase opportunities for children in remote areas to engage with art, music, and educational learning.



National Theater & Concert Hall's “Art Zero Distance: Dual Island In-depth Education Project”



Promoting Sports and Arts

To promote a thriving sports culture in Taiwan and consistently support the development of athletic activities, TPEX annually collaborates with the Sports Administration of the Ministry of Education to identify school sports teams in need of resources. In 2024, TPEX sponsored various school sports teams, including the Tongfu Junior High School Judo Team in Nantou County, the Timol Elementary School Judo Team in Pingtung County, the Wutan Elementary School Judo Team in Pingtung County, the Changhua Girls' Senior High School Badminton Team in Changhua County, and the Wujie Junior High School Badminton Team in Yilan County. Additionally, we provided sponsorship to the Ming Chuan University Football Team and the Taichung City Football Future Development Association's FUTURO Football Team. Furthermore, TPEX aims to contribute to nurturing national sports talent by continuously sponsoring relevant competition or training programs organized by the Republic of China Golf Association.

To bring the public closer to performing arts and encourage engagement with culturally rich venues, TPEX sponsored a variety of initiatives in 2024. These included the National Day Projection Mapping Show, Presidential Office Concert, and “We Are, Our Lunar New Year's Eve” events, all hosted by the General Association of Chinese Culture. Additionally, TPEX supported the Paper Windmill Theatre's “368 Townships and Districts Children's Art Project” and Public Television Service's “2024 Art Education Promotion Project”. Through these diverse sponsorships, TPEX aims to promote arts and culture across multiple dimensions.

APPENDIX



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APPENDIX 1: GRI Standards Index

Statement of use	TPEX has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable sector standard

GRI	Disclosure	Corresponding Chapter(s) / Explanation	Page
GRI 2: General Disclosures 2021			
2-1	Organizational details	About TPEX	5
2-2	Entities included in the organization's sustainability reporting	About the Report	1
2-3	Reporting period, frequency and contact point	About the Report	1
2-4	Restatements of information	No information restatements in 2024	-
2-5	External assurance	About the Report	1
		Appendix 5: Accountant's Limited Assurance Report	130
		Appendix 6: Opinion Statement of Greenhouse Gas Emissions	132
2-6	Activities, value chain and other business relationships	About TPEX	5
2-7	Employees	5.1.1 People-Oriented Philosophy	107
2-8	Workers who are not employees	5.1.1 People-Oriented Philosophy	107
2-9	Governance structure and composition	3.2.1 Adhere to Integrity Governance	74
2-10	Nomination and selection of the highest governance body	3.2.1 Adhere to Integrity Governance	74
2-11	Chair of the highest governance body	About TPEX	5
		3.2.1 Adhere to Integrity Governance	74
2-12	Role of the highest governance body in overseeing the management of impacts	1.1.2 Sustainable Promotion Organization	13
		1.3.1 Material Topics Analysis	19
		3.2.1 Adhere to Integrity Governance	74
2-13	Delegation of responsibility for managing impacts	1.1.2 Sustainable Promotion Organization	13
2-14	Role of the highest governance body in sustainability reporting	3.2.1 Adhere to Integrity Governance	74
2-15	Conflicts of interest	3.2.1 Adhere to Integrity Governance	74

GRI	Disclosure	Corresponding Chapter(s) / Explanation	Page
GRI 2: General Disclosures 2021			
2-16	Communication of critical concerns	1.3.1 Material Topics Analysis	19
2-17	Collective knowledge of the highest governance body	3.2.1 Adhere to Integrity Governance	74
2-18	Evaluation of the performance of the highest governance body	3.2.1 Adhere to Integrity Governance	74
2-19	Remuneration policies	5.1.2 Compensation and Welfare Support	108
2-20	Process to determine remuneration	5.1.2 Compensation and Welfare Support	108
2-21	Annual total compensation ratio	Information on the highest paid employees and median employee compensation of TPEX have not been disclosed due to its nature of sensitivity.	-
2-22	Statement on sustainable development strategy	Message from the Chairman	3
2-23	Policy commitments	3.2.1 Adhere to Integrity Governance	74
		5.1.1 People-Oriented Philosophy	107
2-24	Embedding policy commitments	3.2.1 Adhere to Integrity Governance	74
2-25	Processes to remediate negative impacts	1.3.2 Material Topics Management	21
		3.2.1 Adhere to Integrity Governance	74
2-26	Mechanisms for seeking advice and raising concerns	3.2.1 Adhere to Integrity Governance	74
2-27	Compliance with laws and regulations	3.2.1 Adhere to Integrity Governance	74
2-28	Membership associations	2.3.1 Participation of Public Association	62
2-29	Approach to stakeholder engagement	1.2.2 Stakeholders Engagement	15
2-30	Collective bargaining agreements	None	-

GRI	Disclosure	Corresponding Chapter(s) / Explanation	Page
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	1.3.1 Material Topics Analysis	19
3-2	List of material topics	1.3.1 Material Topics Analysis	19
3-3	Management of material topics	1.3.2 Material Topics Management	21

GRI	Disclosure	Corresponding Chapter(s) / Explanation	Page
General Topics / GRI 200: Economic			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.1.2 Compensation and Welfare Support	108
202-2	Proportion of senior management hired from the local community	5.1.1 People-Oriented Philosophy	107
204-1	Proportion of spending on local suppliers	3.2.4 Supplier Management	83
205-3	Confirmed incidents of corruption and actions taken	3.2.1 Adhere to Integrity Governance	74
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.2.1 Adhere to Integrity Governance	74

General Topics / GRI 300: Environmental

GRI 302: Energy 2016

302-1	Energy consumption within the organization	4.2.1 GHG Inventory and Management	97
302-3	Energy intensity	4.2.1 GHG Inventory and Management	97

GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	4.2.1 GHG Inventory and Management	97
305-2	Energy indirect (Scope 2) GHG emissions	4.2.1 GHG Inventory and Management	97
305-3	Other indirect (Scope 3) GHG emissions	4.2.1 GHG Inventory and Management	97
305-4	GHG emissions intensity	4.2.1 GHG Inventory and Management	97

GRI	Disclosure	Corresponding Chapter(s) / Explanation	Page
General Topics / GRI 400: Social			
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	5.1.1 People-Oriented Philosophy	107
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	5.1.1 People-Oriented Philosophy	107
		5.1.2 Compensation and Welfare Support	108
401-3	Parental leave	5.1.2 Compensation and Welfare Support	108
GRI 403: Occupational health and safety 2018			
403-3	Occupational health services	5.1.4 Employee Care	114
403-6	Promotion of worker health	5.1.4 Employee Care	114
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	5.1.3 Talent Development	112
404-3	Percentage of employees receiving regular performance and career development reviews	5.1.3 Talent Development	112
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	3.2.1 Adhere to Integrity Governance	74
		5.1.1 People-Oriented Philosophy	107
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	3.2.1 Adhere to Integrity Governance	74
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.2.3 Information Security	81



APPENDIX 2: SASB Standards Index

SASB- Security & Commodity Exchanges

Topic Disclosed	Code	Category	Metric Disclosed	Corresponding Chapters/ Additional Information	Page
Promoting Transparent & Efficient Capital Markets	FN-EX-410a.1	Quantitative	(1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility	2.2.3 Maintenance of Market Order	57
	FN-EX-410a.2	Quantitative	Percentage of trades generated from automated trading systems	Since its establishment in 1994, TPEX has operated exclusively through an automated trading system. Manual trading is no longer in practice.	-
	FN-EX-410a.3	Discussion & Analysis	Description of alert policy regarding timing and nature of public release of information	2.2.3 Maintenance of Market Order	57
	FN-EX-410a.4	Discussion & Analysis	Description of policy to encourage or require listed entities to disclose ESG-related risks, impacts and strategies	3.1.2 Driving Corporate Sustainable Action	72
Managing Conflicts of Interest	FN-EX-510a.1	Quantitative	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	3.2.1 Adhere to Integrity Governance	74
	FN-EX-510a.2	Discussion & Analysis	Discussion of processes for identifying and assessing conflicts of interest	3.2.1 Adhere to Integrity Governance	74
Managing Business Continuity & Technology Risks	FN-EX-550a.1	Quantitative	Number of significant market disruptions and (2) duration of downtime	2.2.3 Maintenance of Market Order	57
	FN-EX-550a.2	Quantitative	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	3.2.3 Information Security	81
	FN-EX-550a.3	Discussion & Analysis	Description of efforts to prevent technology errors, security breaches, and market disruptions	3.2.3 Information Security	81
Average Daily Number of Transactions by Product or Asset Category	FN-EX-000.A	Quantitative	Average daily number of trades executed, by product or asset class	2.1.2 Improved Products and Services	42
Average Daily Transaction Value by Product or Asset Category	FN-EX-000.B	Quantitative	Average daily volume traded, by product or asset class	2.1.2 Improved Products and Services	42

APPENDIX 3: Climate-Related Information

Item		Corresponding Chapters	Page
1. Describe the Board and Management's oversight and governance on climate-related risks and opportunities		1.1.2 Sustainable Promotion Organization	13
		4.1.1 Climate Governance Framework	85
2. Describe how the identified climate risks and opportunities affect business, strategy, and finance		4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
3. Describe the financial impact of extreme weather events and transformative actions		4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
4. Describe how climate risk identification, assessment, and management processes are integrated in the overall risk management system		4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.		4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.		4.1.2 Climate Risk Management	85
		4.1.4 Climate-Related Metrics and Targets	95
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.		TPEX has yet to develop internal carbon pricing	-
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.		4.2.1 GHG Inventory and Management	97
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan		4.2.1 GHG Inventory and Management	97
10. Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Fiscal Years	Greenhouse Gas Inventory Information	4.2.1 GHG Inventory and Management	97
	Greenhouse Gas Assurance Information	Appendix 6: Opinion Statement of Greenhouse Gas Emissions	132
11. Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan	Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.	4.2.1 GHG Inventory and Management	97

APPENDIX 4: IFRS S2 Index

Aspects	Metric Disclosed	Corresponding Chapters	Page
Governance	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	1.1.2 Sustainable Promotion Organization	13
		4.1.1 Climate Governance Framework	85
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	4.1.1 Climate Governance Framework	85
Strategy	Climate-related risks and opportunities		
	Information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
	Business model and value chain		
	Information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.	4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
	Strategy and decision-making		
	Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.	4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
		4.1.4 Climate-Related Metrics and Targets	95
	Information about how the entity is resourcing, and plans to resource, the activities disclosed in the preceding item.	4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
		4.1.4 Climate-Related Metrics and Targets	95
	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods	4.1.2 Climate Risk Management	85
	Financial position, financial performance and cash flows		
	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88
	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance, and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	4.1.2 Climate Risk Management	85
		4.1.3 Climate Management Strategies	88

Aspects	Metric Disclosed		Corresponding Chapters	Page
Strategy	Climate resilience			
	The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range.		4.1.2 Climate Risk Management	85
			4.1.3 Climate Management Strategies	88
	How and when the climate-related scenario analysis was carried out.		4.1.2 Climate Risk Management	85
			4.1.3 Climate Management Strategies	88
Risk Management	The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks		4.1.1 Climate Governance Framework	85
			4.1.3 Climate Management Strategies	88
	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.		4.1.1 Climate Governance Framework	85
			4.1.2 Climate Risk Management	85
			4.1.3 Climate Management Strategies	88
	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.		4.1.1 Climate Governance Framework	85
			4.1.2 Climate Risk Management	85
			4.1.3 Climate Management Strategies	88
Metrics and Targets	Climate-related metrics			
	Greenhouse gas emissions	1. Disclose the absolute gross greenhouse gas emissions generated in accordance with the Greenhouse Gas Protocol during the reporting period, expressed as metric tonnes of CO ₂ equivalent, classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; (3) Scope 3 greenhouse gas emissions; 2. For Scope 1 and Scope 2 greenhouse gas emissions disclosed in the preceding item, disaggregate emissions between: (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and (2) other investees excluded from the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries.)	4.1.4 Climate-Related Metrics and Targets 4.2.1 GHG Inventory and Management	95
				97

Aspects	Metric Disclosed		Corresponding Chapters	Page
Metrics and Targets	Climate-Related Transition Risks	The amount and percentage of assets or business activities vulnerable to climate-related transition risks.	4.1.2 Climate Risk Management	85
	Climate-Related Physical Risks	The amount and percentage of assets or business activities vulnerable to climate-related physical risks.	4.1.2 Climate Risk Management	85
	Climate-Related Opportunities	The amount and percentage of assets or business activities aligned with climate-related opportunities.	4.1.2 Climate Risk Management	85
	Capital Deployment	The amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	4.1.2 Climate Risk Management	85
	Internal Carbon Prices	(i) An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and (ii) The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.	TPEX has yet to develop internal carbon pricing	-
	Remuneration	(i) A description of whether and how climate-related considerations are factored into executive remuneration (ii) The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Remuneration related to climate performance is not currently disclosed due to confidentiality considerations.	-
	Climate-Related Targets			
	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets.		1.1.1 Sustainability Goals and Strategies	12
			4.2.1 GHG Inventory and Management	97
	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.		4.2.1 GHG Inventory and Management	97
	For each target disclosed, disclose its scope, baseline, tracking approach, and progress.		4.2.1 GHG Inventory and Management	97

APPENDIX 5: Accountant's Limited Assurance Report

Independent Limited Assurance Report

To Taipei Exchange:

We have been engaged by Taipei Exchange ("the Company") to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2024 Sustainability Report (hereinafter referred to as the "Identified Key Performance Indicators") and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the "Summary of Subject Matter Assured" on page 131 of the Sustainability Report. The scope of the aforementioned Identified Key Performance Indicators is set out in the "Scope of Disclosure" on page 1 of the Sustainability Report.

Management's Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the respective applicable criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial data. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

Compliance of Independence and Quality Control Requirement

We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Standard on Quality Management 1, "Quality Management for Public Accounting Firms" 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.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators 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 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves

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assessing the suitability in the circumstances of the Company's use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. 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, and agreeing or reconciling with underlying records.

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

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, information systems, and the relevant internal controls relating to the preparation of the aforementioned information to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, including inquiries, observation, inspection to obtain evidence for limited assurance.

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 the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, our assurance does not extend to information disclosed in the Sustainability Report for the period ended December 31, 2023 or prior periods.

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 the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the applicable criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the applicable criteria have been subsequently modified.

Shih, Ming-Chih
For and on behalf of PricewaterhouseCoopers, Taiwan
June 11, 2025

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Summary of Subject Matter Assured

No.	Subject Matter	Page	Applicable Criteria
1	In 2024, a total of 53 sustainable bonds were listed, with an issuance amount of NT\$149.185 billion.	15	The number and book value of sustainable bonds listed by TPEX which met the qualifications of the Taipei Exchange Operation Directions for Sustainable Bonds and were proclaimed on Sustainable Bonds Platform by TPEX in 2024.
2	TPEX has 10 directors appointed by competent authority, who possess independence and serve the public interest, four of whom are female.	76	The number of female directors appointed by competent authority for the term of the eleventh Board of Directors of TPEX.
3	In 2024, TPEX has completed a solar power purchase agreement and obtained 357 Renewable Energy Certificates (RECs) issued by the Ministry of Economic Affairs.	97	TPEX obtained renewable energy certificate in compliance with the Implementation Regulations Governing Renewable Energy Certificates issued by the Ministry of Economic Affairs in 2024.
4	The proportion of electronic approvals was 81.43% in 2024.	102	The proportion of the number of electronic official documents as of the total number of official documents for year 2024. Note 1: The proportion of electronic approvals is calculated as the number of documents which were approved online divided by the total number of official documents for the year (total number of online and paper approvals). Note 2: The total number of official documents is the sum of approved official documents listed in the monthly report downloaded from the TPEX 's document management system.
5	In 2024, the total number of internal and external training hours completed by TPEX employees reached 19,460.5	113	The total hours and average hours per person of internal and external education and training in 2024 for TPEX's current employees as of the end of 2024.

	hours, averaging 64.01 hours per person.		
6	The “ Fraud Prevention Vanguard – Stay Sharp in Your Youth” Campus Campaign were held at 75 higher education institutions; the 17th “TPEX Financial Elite Camp for College Students” amounted 94 teams (363 students) completed the online learning and submitted final reports.	117	<ul style="list-style-type: none"> • The number of college campuses which the TPEX campaign was held in 2024 under the activity plan made by the Banking Bureau of the Financial Supervisory Commission. • The number of teams and participants who completed online learning and submitted final reports for the 17th “TPEX Financial Elite Camp for College Students” which was organized in conjunction with the competent authority's financial literacy program.

APPENDIX 6: Opinion Statement of Greenhouse Gas Emissions



Opinion Statement

Greenhouse Gas Emissions Verification Opinion Statement

This is to verify that: Taipei Exchange
15F.
No. 100, Sec. 2, Roosevelt Rd.
Zhongzheng Dist.
Taipei City
100404
Taiwan

財團法人中華民國證券櫃檯買賣中心
臺灣
台北市
中正區
羅斯福路二段 100 號
15 樓
100404

Holds Statement No: GHGEV 822515-1

Verification opinion statement

As a result of carrying out verification and validation procedures in accordance with ISO 14064-3:2019, it is the statement for mixed engagement including reasonable assurance for verification activity as well as validation and agreed-upon procedures (AUP) contains the following:

- The Greenhouse Gas Emissions with Taipei Exchange for the period from 2024-01-01 to 2024-12-31 was verified and validated.
- The verified organization-level greenhouse gas emissions include direct greenhouse gas emissions 13.3369 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 632.2767 tonnes of CO₂ equivalent.
- Taipei Exchange has defined and explained its own process and pre-determined criteria for significance of indirect Greenhouse Gas Emissions and quantify and report these identified significant emissions accordingly.



For and on behalf of BSI:

Managing Director BSI Taiwan, Peter Pu

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...making excellence a habit.™

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Statement No: GHGEV 822515-1

The Greenhouse Gas Emissions Verification activities are based on reasonable level of assurance:

- The data and information of greenhouse gas emissions are based on historical in nature, and no material misstatements for the period from 2024-01-01 to 2024-12-31 Greenhouse Gas Emissions calculation were revealed.
- Data quality was considered acceptable in meeting the principles as set out in ISO 14064-1:2018.
- According to the intended purpose, the emission factor for electricity of the year 2024 is 0.474 kgCO₂ per kWh are adopted to quantify indirect greenhouse gas emissions from imported energy.

EMISSIONS		Notes	tonnes CO ₂ e
Category 1: Direct GHG emissions and removals			13.3369
1.1	Stationary combustion		0
1.2	Mobile combustion		11.8236
1.3	Industrial processes (anthropogenic systems)		0
1.4	Fugitive (anthropogenic systems)		1.5133
1.5	Land use, land use change and forestry		0
Direct emissions in tonnes of CO ₂ e from biomass			0
Category 2: Indirect GHG emissions from imported energy			632.2767
2.1	Indirect emissions from imported electricity	location-based approach	632.2767
Renewable Electricity purchased in kWh with contractual instruments compliant with ISO 14064-1 Annex E		Power Purchase Agreements:	356,078.0000 kWh
2.1	Indirect emissions from imported electricity	market-based approach	463.4957

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Agreed-upon procedures (AUP)

- AUP are specific types of verification activities, BSI have performed the evidence-gathering procedures for the period from 2024-01-01 to 2024-12-31.
- BSI do not express any assurance on the GHG emissions, removals and storage in listed below.

EMISSIONS		Notes	AUP Item(s)	tonnes CO ₂ e
Category 3: Indirect GHG emissions from transportation				
3.5	Emissions from Business travels	Use the Spend-based method	Train: 1,179.1000 pkm Taxi: 2366.8860 L High-speed rail: 8.6319 tonnes CO ₂ e Aircraft: 69.4870 tonnes CO ₂ e	85.0939
Category 4: indirect GHG emissions from products used by organization				
4.1	Emissions from Purchased goods	Goods: Use the Average-data method Energy & Fuel: Use the Average-data method Purchased goods and services include: Business Services/Service Department-Other/Computer communications and audio-visual electronic products manufacturing, precision optical medical equipment and watch manufacturing/Wood, bamboo and furniture industry/Other industrial products manufacturing industry/Copy paper	Business services: 2,808,687.0000 TWD Service department-others: 70,535,840.0000 TWD Computer communication and audio-visual electronic products manufacturing, precision optical medical equipment and watch manufacturing: 1,265,901.0000 TWD Wood, bamboo and furniture industry: 25,000.0000 TWD Other industrial products manufacturing industry: 154,881.0000 TWD Copy paper: 2,950.0000 packs Electricity: 977,838.9743 kWh Power Purchase Agreements: 356,078.0000 kWh Gasoline: 5,017.4400 L	156.1745

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Statement No: GHGEV 822515-1

Location

Verification Information

Taipei Exchange
15F.
No. 100, Sec. 2, Roosevelt Rd.
Zhongzheng Dist.
Taipei City
100404
Taiwan
財團法人中華民國證券櫃檯買賣中心
臺灣
台北市
中正區
羅斯福路二段 100 號
15 樓
100404

The Greenhouse Gas Emissions with Taipei Exchange for the period from 2024-01-01 to 2024-12-31 was verified, including direct greenhouse gas emissions 13.3369 tonnes of CO₂ equivalent and indirect greenhouse gas emissions from imported energy 632.2767 tonnes of CO₂ equivalent.

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證券櫃檯買賣中心
Taipei Exchange

15F., No. 100, Sec. 2, Roosevelt Rd., Zhongzheng
Dist., Taipei City Phone: 886-2-2369-9555

Service Hot Line: 886-2-2366-6100

FAX: 886-2-2369-5517

Email: server@tpex.org.tw

Website: <https://www.tpex.org.tw/web/?l=en-us>



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