



STAKEHOLDERS ENGAGEMENT

To strengthen and enhance communication with stakeholders, TPEX identified important stakeholders, extensively investigated issues of concern to stakeholders, and adjusted the sustainable development strategies.

Phase 1: Identifying important stakeholders

Step 1	Inventorizing communication targets 9 major stakeholder Categories	<ul style="list-style-type: none"> Considered past experience and 2021 operations, TPEX first identified 9 major stakeholder categories.
Step 2	Focusing on communication priorities 5 Important Stakeholder Categories	<ul style="list-style-type: none"> Adopted the AA1000 Stakeholder Engagement Standard stressing the five dimensions of "responsibility, tension, influence, diverse perspectives, and dependency". Three TPEX senior executives and 11 departments assessed the influences between stakeholders and TPEX, and discussed and analyzed the results in a cross-departmental meeting. Since the results of the identification of major stakeholders in 2019 and 2020 were the same, the evaluation of important stakeholders in 2021 were maintained at five categories, including government agencies, customers, investors, intermediaries and employees, as communication priorities.

Phase 2: Identifying material issues



Step 3	Inventorizing TPEX Sustainability Issues	<ul style="list-style-type: none"> TPEX comprehensively considered the communication experience with stakeholders, international trends, and significant industry issues.
Step 4	Assessing Concerns over Material Issues	<ul style="list-style-type: none"> Due to the impact of the covid-19 pandemic, the questionnaire was distributed to internal personnel and filled from the perspective of stakeholders to understand the sustainability issues of concern of various stakeholders as well as the level of concern. 104 questionnaires were recovered, and 104 questionnaires were valid.
Step 5	Evaluating Material Issues' Impacts	<ul style="list-style-type: none"> Three senior executives comprehensively assessed each issue's impacts on TPEX.
Step 6	Each issue's impacts on TPEX. 7 material sustainability issues	<ul style="list-style-type: none"> We integrated the evaluation results of steps 4 and 5 to illustrate a materiality matrix and identified 7 material issues for 2021.

2021 stakeholders engagement list

Stakeholders	Importance to TPEX	Expectations for TPEX	Main communication channels and frequency	Communication Results
Government agencies 	TPEX is a franchise business approved by 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 the TPEX daily operations.	Build a healthy capital market, follow financial laws and regulations, maintain market order, supervise listed / registered companies and protect investors' rights and interests.	<ul style="list-style-type: none"> Meetings and public hearings (irregular) Formal correspondence (irregular) Phone calls, fax, and e-mail (irregular) Compiling and reporting important business statistics (irregular) 	<ul style="list-style-type: none"> There were no major penalties in 2021. TPEX cooperated with the competent authority in reviewing and revising various rules and regulations.
Customers 	After receiving the counseling and examination by TPEX, domestic and foreign companies issue stocks to be listed on the Main Board, ESB or GISA, or issue bonds to raise funds, thus facilitating economic growth and capital mobility. The customers also include those TPEX provide information and labor services to.	Improve the review and supervision structure as well as laws and regulations, improve review efficiency, maintain smooth consultation and communication channels, and provide diversified bond products, financing tools and other services.	<ul style="list-style-type: none"> Field visits (irregular) Symposiums, educational promotion, forums and public hearings (irregular) TPEX family networking events (annual) Formal correspondence (irregular) Phone calls, fax, and e-mail (irregular) Routine audits (regular/quarterly/monthly) Special audits (irregular) 	<ul style="list-style-type: none"> By the end of 2021, 788 domestic and foreign companies were listed on the Main Board, 296 companies were registered on the ESB, and 91 domestic companies were registered on GISA. On July 20, 2021, the "Pioneer Stock Board" was officially launched, symbolizing a new milestone in the domestic capital market. Considering the pandemic impact, TPEX TPEX has formulated IPO tolerance measures. In 2021, the scale of the international bond market reached 763, and the balance reached NT\$ 6.09 trillion, a record high.
Investors 	TPEX provides bonds, stocks, warrants, ETFs, ETNs, derivatives and other products, enabling investors of different attributes and types to participate. TPEX undertakes the mission of providing a fair and safe trading environment and meeting the investors' needs.	Make the capital market more active and facilitate the circulation of funds, and moderately supervise the operation of the market, so as to make the market information open and transparent and to protect the rights and interests of investors.	<ul style="list-style-type: none"> TPEX market performance presentations (quarterly) Investor seminars (irregular) Market Observation Post System updates (regular, irregular) Market announcement and press release (irregular) Investor email, service hotline (irregular) Official website and social media (irregular) 	<ul style="list-style-type: none"> In 2021, the total number of investors performing transactions in the TPEX market exceeded 3.31 million. Compared to the number of investors in 2020, the total number of investors performing transactions increased by nearly 870,000, a growth rate of 35%, and a record high in the history of the TPEX market. There is a dedicated hotline for investors and a consultation hotline for ESB investors set up for ESB transactions, both of which are answered by dedicated personnel, and 100% have been handled and replied to.



2021 Sustainability Report Stakeholders Engagement

Stakeholders	Importance to TPEX	Expectations for TPEX	Main communication channels and frequency	Communication Results
Intermediary Agencies 	<p>Intermediaries agencies are important partners helping TPEX to draw enterprises into the capital market. These professional institutions serve as an important bridge to improve TPEX's counseling and examination and promote the matching of high-quality enterprises with market funds.</p>	<p>Handle promotion and education seminars on various newly revised laws, and regulations, and establish a communication channel with TPEX.</p>	<ul style="list-style-type: none"> • Meetings, seminars and promotional events (irregular) • Formal correspondence (irregular) • Phone calls, fax, and e-mail (irregular) • Intermediary agency award ceremonies (annual) • Listing examination satisfaction survey (every six months) 	<ul style="list-style-type: none"> • In the first and second halves of 2021, TPEX distributed questionnaires to 12 and 19 securities underwriters respectively. The response rate was 100%, and the overall satisfaction with TPEX services reached 100%. • A total of 2 sessions of "Intermediary Agencies Guidance for Domestic and Foreign Enterprises" were held. • TPEX held the "2021 Award Ceremony" to commend 6 securities firms and 4 accounting firms for their outstanding contributions. • Conducted a total of 179 audits of securities firms, including routine and special audits, risk assessments, and audits for the prevention of money laundering, etc.
Employees 	<p>Employees are important assets of TPEX responsible for developing new products, maintaining various trading systems, supervising the market, promoting corporate fundraising and activating the securities market. High-quality and competent talents are the core key to strengthening TPEX's competitiveness.</p>	<p>Recruit qualified employees, cultivate high-quality talents, maintain a harmonious labor-employment relationship and establish a fine working environment to consolidate high-quality human resources and maintain the core keys to the solid competitiveness of TPEX.</p>	<ul style="list-style-type: none"> • Education and training for management associates and all employees (irregular) • Encouragement meetings (quarterly) • Sports meets (irregular) • Year-end thanksgiving parties (annual) • Employee/employer meetings (quarterly) • Personnel appraisal group meeting (held once every six months, and may be held irregularly in addition) • Sexual harassment complaint handling committee (irregular) • Employee Pension Fund Management Committee and Labor Retirement Reserve Supervision Committee (held once every quarter, and may be held irregularly in addition) 	<ul style="list-style-type: none"> • In 2021, it was harmonious between employers and employees and no major discussion topics have arisen. • 100% of employees who applied for parental leave were reinstated in 2021, and 100% of them remained employed one year after the reinstatement. • According to the employee opinion survey on the 2021 education and training plans, employees responded well to the education and training.