

Taishin Securities Investment Trust Co., Ltd.

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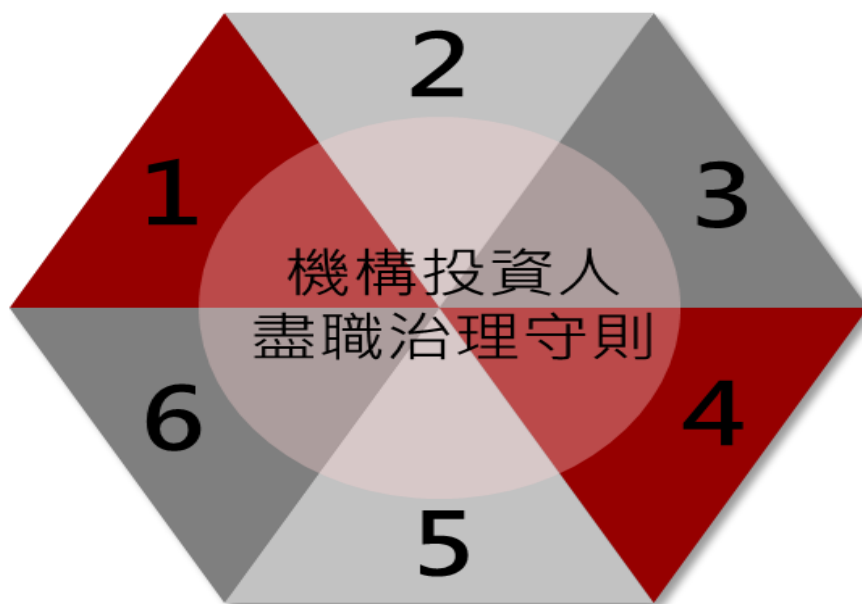
2021 Stewardship Report

(Included herein: Stewardship Policy, Conflicts of Interest Management Policy, and Voting Policy)

Taishin Securities Investment Trust Co., Ltd. (hereinafter referred as “the Company”) is primarily engaged in securities investment trust business, discretionary investment business and other businesses approved by the competent authority and acts as an asset manager which provides assistance to clients on management and investment/utilization of funds.

In upholding the principle of being an active participant in corporate governance, the Company has signed a statement of commitment to complying with the following six Stewardship Principles for Institutional Investors (signed on July 27, 2016 and updated on January 14, 2021) in accordance with the Stewardship Principles for Institutional Investors promulgated by the TWSE, Principle 1: Establish and Disclose Stewardship Policies; Principle 2: Establish and Disclose Policies on Managing Conflicts of Interest; Principle 3: Regularly Monitor Investee Companies; Principle 4: Maintain an Appropriate Dialogue and Interaction with Investee Companies; Principle 5: Establish and disclose clear voting policies and voting results; and Principle 6: Periodically disclose the status of fulfilling its stewardship responsibilities, and discloses and updates its status of compliance in a timely manner.

***Taishin Securities Investment Trust has signed a statement of commitment to complying with the six principles detailed in the Stewardship Principles for Institutional Investors**



機構投資人盡職治理守則	Stewardship Principles for Institutional Investors
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In order to comply with the Stewardship Principles for Institutional Investors, the Company delegates its Legal Compliance and Risk Management Office to oversee the company's stewardship performance, including the implementation of Stewardship Policy and Conflicts of Interest Management Policy, all in an effort to fulfill its duties as a prudent manager and faithfully protect the rights of investors. While ensuring the sustainable development of investee companies, the Investment Office incorporates environmental, social, and governance (ESG) issues into investment assessment processes so that when making investments or performing the responsibility of a custodian, the Company will monitor the business activities of investee companies and participate in their corporate governance, either by attending shareholders' meetings, exercising voting rights, and engaging in dialogue and interaction with investee companies as appropriate. The aforementioned actions are the "stewardship" performance of the Company. Taking into consideration the risks and performance of investee companies with respect to the environment, social responsibilities, and corporate governance (collectively, ESG) is of utmost importance to the Company in fulfilling its stewardship responsibilities. The Company therefore incorporates ESG-related activities and risks of investee companies into investment evaluation processes, and engages in constructive communication and interaction with investee companies to promote the sustainable development of investee companies, thereby

increasing long-term benefits for clients/beneficiaries/shareholders and bringing positive impact to humanity and the society as a whole.

To strengthen the content and method of disclosure of the Company's Stewardship Report, only the status of compliance with the Stewardship Principles for Institutional Investors in 2021 and formulation of Stewardship Policy for Institutional Investors, Conflicts of Interest Management Policy, and Voting Policy are disclosed. Details are described as follows:

I. Stewardship Policy

The Company's operational objective is to safeguard the rights of clients and maximize the interests of beneficiaries through fund investment and discretionary investment business. To achieve this objective in compliance with Principle 1: Establish and Disclose Stewardship Policies, the Company has established a Stewardship Policy for Institutional Investors, the content of which includes responsibilities to customers/beneficiaries/shareholders and the performance and disclosure of stewardship actions, detailed as follows:

1. When implementing the corporate governance system, the Company shall protect shareholders' rights and interests and treat all customers/beneficiaries fairly in accordance with applicable laws and regulations so as to collectively create maximum benefits for company shareholders and customers/beneficiaries.
2. When managing the securities investment trust funds and conducting discretionary investment business, the responsible persons and employees of the Company shall have a duty of fiduciary and adhere to the principles of loyalty, honesty and integrity, prudent management, and professionalism.
3. The responsible persons and employees of the Company shall act in adherence to the principles of honesty and integrity. Other than observing the applicable laws and regulations, internal personnel management guidelines shall also be observed and followed accordingly.
4. The responsible persons and employees of the Company shall not engage in the collection of monetary or other benefits in return for the transfer of shareholder proxy forms or the exercise of voting rights associated with shares held by a securities investment trust fund.
5. The Company shall assess and rate its partnering brokers at least on a quarterly basis to provide a basis for trade transactions.
6. The Company shall not conspire with affiliated enterprises in manipulating the securities market.
7. The Company shall engage in extensive research analysis on the funds it

manages or its discretionary account investments and shall prepare written report for future reference.

8. The Company shall periodically or from time to time disclose the company's finance, business, and other material information.
9. The Company shall, in accordance with applicable laws and regulations, announce details pertaining to the funds it manages, including fund net value, shareholding ratio, and detailed shareholding information.
10. The responsible persons and employees of the Company shall not engage in the following conducts:
 - (1). Fund managers or managers of discretionary investments disperse or reveal investment information nor promote or recommend specific marketable securities to interfere with market stability or to gain illegal profit.
 - (2). Demand the listed/OTC companies to subscribe securities investment trust fund while said fund is offered and distributed to the public and commit to having a certain portion of the fund invested in said listed/OTC companies.
 - (3). Fund managers or managers of discretionary investments promise to attempt to inflate or deflate the trading price of any certain security.
 - (4). Utilize securities investment trust fund or discretionary investment account without reasonable basis to engage in unnecessary, unreasonable trading so as to gain income from broker service charge and compromise the rights of fund beneficiaries or customers.
 - (5). Utilize funds or investments in discretionary accounts to obtain cash rebates, compensation in kind or other forms from securities firms, which will compromise the rights of fund beneficiaries or customers.
 - (6). Exploit the opportunity of holding considerable shares and demand listed/OTC companies to subscribe the fund.
 - (7). Acquire the proxy of fund beneficiary convention through an unjustified mean that is detrimental to the summons or resolution of the beneficiary convention.

II. Conflicts of Interest Management Policy

In order to implement sound management within the organization and properly safeguard the assets of general investors, thereby facilitating company development while creating benefits for investment clients, the responsible persons and employees of the Company shall have a duty of fiduciary and adhere to the principles of loyalty, honesty and integrity, prudent management, and professionalism when managing the securities investment trust funds and conducting discretionary investment business. To this end, the Company has formulated a Conflicts of Interest Management Policy in compliance with Principle 2: Establish and Disclose Policies on Managing Conflicts

of Interest, the content of which includes the types of conflict of interest and how it is managed. The Conflicts of Interest Management Policy is detailed and classified as follows:

1. Complete description of the types of conflict of interest, including but not limited to the conflicts of interest between the company and clients, between the company and employees, between employees and client, between the company and investees, and between the company and affiliate enterprises.

(I) Conflicts of interest between the company and clients or beneficiaries

1. The responsible persons and employees of the Company shall be a prudent manager and fulfill their duty as a prudent manager to protect the interests of clients and shall prioritize the interests of clients when a conflict of interest occurs.
2. When a conflict of interest occurs, the Company shall prioritize the interests of clients, and prudently identify and clarify the types of conflict of interest that is likely to occur in order to faithfully safeguard the rights of clients through education, awareness campaign, and monitoring of implementation effectiveness among other measures.

(II) Conflicts of interest between the responsible persons and employees of Taishin Securities Investment Trust and clients or beneficiaries

1. The responsible persons, managers, and staff who actually participate in making investment decisions shall faithfully observe applicable laws and regulations as well as rules established by the Company for prohibition of conflict of interest.
2. The company shall not compromise the interests of other beneficiaries or clients for the benefit of the company, its responsible persons, employees or any beneficiaries or clients.
3. To fulfill the Company's responsibility as a prudent manager, in accordance with the Company's Manager Rules, information handlers shall report in advance before investing in TWSE/TPEX listed shares and any equity derivatives subject to the regulations of the competent authority. They shall not engage in such trading without approval. The Company periodically (every six months) or as needed (from time to time) reviews and inspects the trading of securities by fund managers, discretionary investment managers, or their spouses, and minor children.
4. To reduce the ethical risks of investment managers and fund managers who are involved in discretionary investment business and avoid their use of company information in stock trading, the Company has established Rules for Use of Personal Mobile Communication Devices and IT Equipment. These Rules regulate the use of investment information and communication devices in

investment or trading decisions by researchers/analysts and traders, and the scope of which includes control over employees' use of personal computers and funds in the company and control over the mobile communications (mobile phones) of discretionary investment managers, researchers, and traders.

5. To enforce corporate governance and strengthen internal staff management, the Company has established Rules for Acceptance or Provision of Gifts and Hospitality by the Company and Employees to specify the scope of gifts that company staff can provide to or accept from other companies or staff members.
6. The Company sets access privileges to computer systems as needed for the duty and function of each department and its staff members so as to ensure information security. User access shall be removed or changed in the event of personnel changes, and passwords should be changed periodically to ensure password security.

(III) Conflicts of interest between different funds or clients

1. Given that it is legal for fund managers to concurrently serve in the position of discretionary investment manager who receives consignment from professional investment institutions, the Company has stipulated principles for prevention of conflict of interest in its internal control system so as to ensure the rights of fund beneficiaries and discretionary investment clients.
2. The Company shall treat all clients fairly so as to avoid causing conflicts of interest between funds and clients.
3. Office areas in the Company shall be segregated by department. Unless for work requirement, dissemination of business secrets is strictly prohibited. The status of use of securities investment trust funds or discretionary investment assets shall not be communicated to relevant staff, shareholders, or affiliated enterprises. The sharing and use of information shall not involve conducts that are detrimental to the rights of beneficiaries or clients.

(IV) Significant conflicts of interest events (Complete description of management approaches mentioned in the guidelines; institutional investors should give examples of conflicts of interest that are likely to arise or occur, how they are managed to effectively prevent conflicts of interest. The causes and response measures taken against major incidents where conflicts of interest have occurred to institutional investors also shall be described)

1. Significant conflicts of interests between employees and clients or beneficiaries can be reported or filed by using internal and external channels (telephone, company website, email, etc.).

2. The Company had no significant conflicts of interest in 2021.

III. Elements of stewardship report (Regularly Monitor Investee Companies)

In addition to drafting a Stewardship Policy for Institutional Investors, the Company also incorporates environmental, social, and governance (ESG) issues into investment assessment processes to fulfill its stewardship responsibilities, thereby seeking the overall interests of customers, beneficiaries and shareholders. To this end, the Company will continuously invest internal resources to stewardship governance, including paying continuous attention to global ESG development trends and leveraging external research resources to more systematically analyze ESG-related investment issues and make employees more aware of the importance of ESG. Details are described as follows:

1. The Company will continuously keep abreast of investee companies' operational status with respect to funds and discretionary investment accounts by accessing relevant news, financial performance, industry overview, and business strategies, etc. from the public information they disclosed (e.g., investor conference, shareholder meetings, material information). In addition, ESG-related issues and information will be incorporated into investment evaluation processes.
2. The Company monitors the stewardship actions of investee companies with respect to corporate governance as requested in official letters issued by the competent authority. The Company has established Manager Rules and Investment Management Rules for Investment Office, the latter of which contains main list screening principles and control for staff in charge of investment management.
3. When selecting investment targets, the Company considers their financial and also ESG/sustainability performance. During main list quarterly meetings, the Investment Office will discuss which listed/OTC stock targets are linked to ESG and recommend those targets in the main list (see 4 for detailed description of ESG screening mechanism). Based on consideration for corporate governance and market risks, the Investment Management Rules for Investment Office include principles for investment negative list control and restrictive measures for significant corporate matters, financial crises, or negative events.
4. At Taishin Securities Investment Trust, a team of investment researchers will

siphon ESG-conforming targets for research to determine whether these targets should be included in Taishin's stock pool / main list. ESG assessment for stock selection is described below: At Taishin Securities Investment Trust, after a team in charge of ESG investment is established, the team will siphon ESG-conforming targets for research to determine whether these targets should be included in the Company's main list. ESG for stock selection is described below.

(1) Quantitative indicators screened from the three major aspects of environment, social responsibility, and corporate governance are included in the ESG standards that meet the team's specifications and their intersection is taken as the first-stage ESG stock selection list.

a. Environmental indicators: In assessing the causes of environmental impact, the team performs quantitative screening of the Company's carbon emissions and water consumption, sorts them by unit of revenue, and removes companies that ranked in the top 25% in terms of carbon emission and water consumption per unit of revenue to exclude pollution- and energy-intensive companies. Based on climate change assessment results of global enterprises published on a third-party sustainability report platform called CSRone, the positive list with ratings of A- or above is adopted for stock selection. The assessment requires companies to describe how the Paris Agreement has impacted their operations, how they used the scenario models in business, strategic, and financial planning, how they increased resource efficiency by setting reduction targets, whether their disposal of effluents and wastes conforms to laws and regulations and is subjected to supplier environmental assessment, and whether they have established environmental grievance mechanisms for evaluating different issues such as reduction of business risks.

b. Social indicators: Based on the CSR reports of listed/OTC companies, these indicators are classified into eight dimensions: organizational governance, human rights issues, employees and happy enterprises, environmental protection and policies, fair operating practices, products and consumer issues, diversity, and community care, each of which facilitates specific disclosure of ESG-related CSR issues that concern the industry to which the companies belong. CSR reports are effective communication tools for internal and external stakeholders that improve the transparency and governance performance of listed/OTC companies, thereby promoting sustainable development. In addition, CSR reports provide accurate sustainability information to stakeholders and help investors to effectively evaluate a company's true value. According to data obtained from the Market Observation Post System, 544

listed/OTC companies released CSR reports in 2021. We took these companies as the target population for CSR screening.

c. Corporate governance indicators: The target population for our screening was based on the constituent screening mechanism of TWSE CG100 Index and TPEX Corporate Governance Index. To date, 160 listed/OTC companies meet the corporate governance indicators.

(1) Based on the ESG risk ratings of Sustainalytics, a third-party organization, for more than 300 listed/OTC companies, we removed those that did not upload CSR report, and screened companies that scored in top 10% for individual ESG stocks. The first-stage stock selection list was used to facilitate this process.

(2) Final ESG stock selection list: Taking this year (2021) as example, our ESG analysis team used the listed/OTC companies that released CSR reports in 2021 as the target population. From this population, they selected constituent stocks that meet environmental indicators and are a component of the TWSE CG100 Index and TPEX Corporate Governance Index. In total, 160 constituent stocks were selected. If the selected stocks meet all three criteria, the research team in charge of those individual stocks will conduct research and monitoring on their financial position and operational status and refer to the ESG risk ratings of Sustainalytics to determine whether the targets should be included in the Company's Main List. Subsequently, the Company's existing Main List will be reviewed and updated once every quarter to provide a basis for our investment research team to select stocks for investment.

***ESG-integrated investment process flow:**



<ul style="list-style-type: none"> • E- TEJ 系統資料剔除高污染、高耗能的公司。結合永續報告平台 CSRone 正面表列公司。 	<ul style="list-style-type: none"> • E- Pollution- and energy-intensive companies are excluded from TEJ system data. Companies in the positive list on CSRone platform are included.
<ul style="list-style-type: none"> • S- 已出具 CSR 報告書之上市櫃公司 	<ul style="list-style-type: none"> • S- Listed/OTC companies that have released CSR report
<ul style="list-style-type: none"> • G-台灣公司治理 100 指數成份股+櫃買公司治理指數成份股 	<ul style="list-style-type: none"> • G-Constituent stocks of the TWSE CG 100 Index + TPEX Corporate Governance Index
台新 ESG 團隊	Taishin ESG team
第三方機構評鑑	Third-party assessment
<ul style="list-style-type: none"> • Sustainalytics ESG 風險評分，剔除未出具 CSR 報告書的公司。 	<ul style="list-style-type: none"> • ESG risk ratings of Sustainalytics are used to exclude companies that did not release CSR report.
<ul style="list-style-type: none"> • 永續會計準則委員會 SABA 發布之永續會計標準。 	<ul style="list-style-type: none"> • Sustainability accounting standards published by the Sustainability Accounting Standards Board (SASB).
<ul style="list-style-type: none"> • 外部券商機構之評鑑。 	<ul style="list-style-type: none"> • Assessments by external brokerage agency.
<ul style="list-style-type: none"> • 台新投信 Main list 中，有 64% 的公司已出具 CSR 報告書。 	<ul style="list-style-type: none"> • 64% of companies in Taishin Securities Investment Trust's Main List have released CSR report.
<ul style="list-style-type: none"> • 目前政府基金帳戶，平均每季持股佔比中，符合 ESG 精神的公司長期維持 60% 以上。 	<ul style="list-style-type: none"> • Presently, among the government fund accounts with average quarterly shareholding ratio, ESG-conforming companies are consistently kept at 60%

	or more.
納入選股考量	Considered for stock selection

IV. Engagement Record and Disclosure (Engagement and Appropriate Dialogue and Interaction with Investee Companies)

(I) The Company keeps track of investee companies' business strategies and obtains a certain degree of consensus by engaging in appropriate dialogue and interaction with investee companies. The need for and manner of dialogue and interaction are as follows:

1. The Company convenes quarterly main list meetings, during which the Company interacts with listed companies as needed for the Company's Main List to understand the companies' operational status.
2. The Company decides to attend or speak at shareholders' meetings as required by law or as needed.
3. Dialogue or interaction is needed to further understand the company's situation when an opportunity arises from financial reports, when financial reports present significant operational improvement, or when the company announces a major decision (e.g., merger and acquisition, alliance, capital expenditures, etc.).
4. The Company engages management teams of investee companies through conference calls, company visits, and actively attending investor conferences.
5. The Company engages in communication by sending representatives to general or extraordinary shareholders' meetings.

(II) The Company maintains interaction with investee companies to evaluate the purpose, cost and benefits of the investment and significance of particular issues of concern based on the type of information, extent and frequency it uses in devoting attention to the investee company. Through the aforementioned methods of interaction, the Company engages in appropriate communication with the management teams of investee companies to understand their industry risks and strategies and safeguard the rights of beneficiaries. The scope of interaction between the Company and investee companies, the impact brought to an investee company after interaction and engagement, follow-up tracking behavior, and impact on future investment decisions are described below:

1. The scope of interaction between the Company and investee companies included issues pertaining to (1) business strategies; (2) management and corporate governance; (3) company culture; (4) separation of ownership/control or consistency problem, whether director/supervisor shareholding is too low; (5) dividend problems; and (6) request for preparation of sustainability report and other important matters.
2. The interaction between the Company and investee companies produced the

following impact: (1) The Company regularly monitored their execution ability and whether they reached the company's financial goals, corporate governance, dividend distribution, and other goals. (2) The Company informed them that increase in pay-out ratio has become a trend, as listed/OTC companies have gradually increased their pay-our ratio in recent years. (3) The Company oversaw unnecessary business expenditures or suspicious operational changes. (4) The Company encouraged preparation of sustainability reports.

3. After interacting with investee companies, the Company will monitor whether the companies are moving in the right business direction and whether they have made improvements as advised. For companies that failed to do so, the Company will consider selling their shares to protect investors' rights.
4. When an investee company is potentially in serious violation of the Corporate Governance Best-Practice Principles, or may impair long term value of the Company's beneficiaries on certain issues, the Company will contact the management team of the investee company for updates, and may join other investors with similar views in expressing their concerns so as to safeguard beneficiaries' interests. If there are similar cases, these cases will be provided for further explanation.

(III) Engagement (engagement report and summary data):

1. Number of companies engaged: 2, Taiwan Surface Mounting Technology Corp. and Visual Photonics Epitaxy Co., Ltd.
2. Method of engagement: On-site visit

(IV) Content of interaction and engagement pertaining to issues, reasons and scope of interaction:

Content of interaction and engagement pertaining to issues:

1. Urged Taiwan Surface Mounting Technology Corp. (6278) to release CSR report
2. Urged Visual Photonics Epitaxy Co., Ltd. (2455) to release CSR report

(V) Impact brought to an investee company after interaction and engagement:

Impact brought to an investee company after engagement:

1. Taiwan Surface Mounting Technology Corp.: In recent years, outsourced bids have incorporated ESG investment topics and focused on listed/OTC companies that prepare sustainability reports. In doing so, companies with good operating performance and ethical management may be continuously included as investment targets. The Company encourages Taiwan Surface Mounting Technology Corp., its major investee, to prepare and publish sustainability report so as to meet investment target regulations for future bids. The company responded that its 2021 CSR report will be completed and uploaded by 2022, which conforms to discretionary investment regulations.
2. Visual Photonics Epitaxy Co., Ltd.: In recent years, outsourced bids have incorporated ESG investment topics and focused on listed/OTC companies that prepare sustainability reports. In doing so, companies with good operating performance and ethical management may be continuously included as investment targets. The Company encourages Visual Photonics Epitaxy Co., Ltd. to prepare and publish sustainability report so as to meet investment target regulations for future bids. The company responded that it will examine issues of concern and strive toward publishing CSR report in the future so as to comply with discretionary investment regulations.

※ Summary of engagement (as shown in table below):

證券代號	證券名稱	議合方式	議合的實際內容	議合後所帶給被公司的影響
6278	台表科	實地拜訪	敦促台表科(6278)發行CSR報告表	近年委外標案加入ESG投資主題，並以編製永續報告書之上市櫃公司為投資標的，為使經營績效良好且誠信之公司得以持續納入投資標的，本公司積極鼓勵重點投資公司台表科編製永續報告書，以符合未來新標案的投資標的規範。該公司回覆預估將於2022年完成並上傳2021年度之CSR報告書，以符合委託投資相關規範。
2455	全新	實地拜訪	敦促全新(2455)發行CSR報告表	近年委外標案加入ESG投資主題，並以編製永續報告書之上市櫃公司為投資標的，為使經營績效良好且誠信之公司得以持續納入投資標的，本公司積極鼓勵全新光電公司編製永續報告書，以符合未來新標案的投資標的規範。該公司回應將研議相關問題朝未來出具企業社會責任報告書方向努力，以符合委託投資相關規範。

證券代號	Securities No.
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證券名稱	Name of securities
議合方式	Method of engagement
議合的實際內容	Content of engagement
議合後所帶給被公司的影響	Impact brought to an investee company after engagement
台表科	Taiwan Surface Mounting Technology Corp.
實地拜訪	On-site visit
敦促台表科 (6278) 發行 CSR 報告表	Urged Taiwan Surface Mounting Technology Corp. (6278) to release CSR Report
近年委外標案加入 ESG 投資主題，並以編製永續報告書之上市櫃公司為投資標的，為使經營績效良好且誠信之公司得以持續納入投資標的，本公司積極鼓勵重點投資公司台表科編製永續報告書，以符合未來新標案的投資標的規範。該公司回覆預估將於2022年完成並上傳2021年度之CSR報告書，以符合委託投資相關規範。	In recent years, outsourced bids have incorporated ESG investment topics and focused on listed/OTC companies that prepare sustainability reports. In doing so, companies with good operating performance and ethical management may be continuously included as investment targets. The Company encourages Taiwan Surface Mounting Technology Corp., its major investee, to prepare and publish sustainability report so as to meet investment target regulations for future bids. The company responded that its 2021 CSR report will be completed and uploaded by 2022, which conforms to discretionary investment regulations.
全新	Visual Photonics Epitaxy Co., Ltd.
實地拜訪	On-site visit
敦促全新 (2455) 發行 CSR 報告表	Urged Visual Photonics Epitaxy Co., Ltd. (2455) to release CSR Report
近年委外標案加入 ESG 投資主題，並以編製永續報告書之上市櫃公司為投資標的，為使經營績效良好且誠信之公司得以持續納入投資標的，本公司積極鼓勵全新光電公司編製永續報告書，以符合未來新標案的投資標的規範。該公司回應將研議相關問題朝未來出具企業社會責任報告書方向努力，以符合委託投資相關規範。	In recent years, outsourced bids have incorporated ESG investment topics and focused on listed/OTC companies that prepare sustainability reports. In doing so, companies with good operating performance and ethical management may be continuously included as investment targets. The Company encourages Visual Photonics Epitaxy Co., Ltd. to prepare and publish sustainability report so as to meet investment target regulations for future bids. The company responded that it will examine issues of concern and strive toward publishing CSR report in the future so as to comply with discretionary investment regulations.

V. Voting Policy

To achieve maximum benefits for beneficiaries, the Company is a proactive voter at shareholders' meetings, and does not always vote in favor of motions proposed by management. In compliance with Principle 5: Establish Clear Voting Policies and Disclose Voting Activities, the Company's voting policy is as follows:

- (I) Principles for handling the exercise of voting rights when the fund participates in the shareholders meetings of stock-issuing companies:
 1. The Company shall appoint a representative or manager to exercise voting rights, unless otherwise specified by law. Voting rights shall be exercised for the best interests of beneficiaries, provided that the Company shall not directly or indirectly participate in the stock-issuing companies' operation or engage in improper affairs.
 2. The Company's voting rights may be exercised in writing or electronically in accordance with Article 177-1 of the Company Act.
 3. When using the following methods to exercise voting rights associated with shares it holds in a securities investment trust fund, the Company shall not be subject to Paragraph 1 of Article 23 of the Regulations Governing Securities Investment Trust Enterprises: "Except where otherwise provided by law or regulation, a SITE exercising voting rights associated with shares it holds in a securities investment trust fund shall do so through representatives appointed from among SITE personnel."
 - (1) Companies that meet the conditions prescribed in Paragraph 2 of Article 3 of the Regulations Governing the Administration of Shareholder Services of Public Companies are appointed to exercise voting rights associated with shares it holds in a fund.
 - (2) The Company shall be exempted from appointing a representative to attend shareholders' meeting if the securities investment trust fund it manages meets the following conditions:
 - a. Any fund holding less than 300,000 shares of a public company and all funds holding a total of less than 1 million shares.
 - b. Any fund holding less than one ten thousandth of the total shares issued by a public company that adopts the electronic voting system and all funds holding less than three ten thousandths of the total shares issued.
 - (3) Except for the exercise of voting rights of the shares held by the funds in the manner prescribed in (1), for any fund managed by the Company holding more than 300,000 shares of a public company or all funds holding more than 1 million shares, the Company may appoint a person other than its employee to attend a shareholders' meeting, where there is no proposal for the election of

directors and supervisors; or where there is a proposal for the election of directors and supervisors, and the shares held by any fund are less than five-thousandths or 500,000 shares of the total shares issued by the company.

- (II) In response to motions proposed at an investee company's shareholders' meeting, the Company shall discuss the investee company's operational status and specific motions. The motions and content of a shareholders' meeting should be evaluated before casting votes and compiled into a report. However, the Company does not necessarily support motions proposed by management. In principle, the Company will vote in favor of or against the following motions proposed in the Handbook for the Shareholders' Meeting.
 - 1. The Company will in principle support motions of the following nature proposed during the shareholders' meeting of an investee company:
 - (1) Motions that encourage board diversification, strengthen the functions of independent directors, increase the number of independent directors to one third of the total number of directors, or propose the establishment of functional committees such as Audit Committee and Remuneration Committee made up of independent directors.
 - (2) Motions that propose amendments to the Articles of Incorporation in accordance with law or regulatory amendments.
 - (3) Motions that propose amendments to company policies or internal regulations in accordance with law or regulatory amendments.
 - 2. The Company will in principle oppose proposals concerning the ratification of investee company's financial statements and business reports when it learns that the investee company is involved in the following situations, including financial statement fraud or has neglected its corporate governance operation and corporate social responsibility:
 - (1) The company dismissed its CPA without justifiable reason during his/her tenure;
 - (2) The CPA refused or failed to issue a statement of independence in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China;
 - (3) The company failed to disclose corporate governance operation, including fulfillment of social responsibilities, in its annual report in accordance with law.
- (III) In principle, the Company does not attend and exercise voting rights in person at the shareholders' meeting of a foreign listed or OTC company.
- (IV) Meeting minutes of shareholders' meetings shall include a record of voting rights exercised and important resolutions. For investee companies that adopt electronic voting, voting rights are exercised electronically and documents

relating to the exercise of voting rights are printed online after the conclusion of shareholders' meeting.

- (V) The Company will carefully record and analyze voting rights exercised at a shareholder's meeting of investee companies and disclose them on the company website every year. Such disclosure may be in the form of charts summarizing the issues discussed and records of votes cast for each motion, such as votes cast in favor, against or abstaining from various types of motions made by investee companies.
- (VI) The Company does not use proxy advisory and proxy voting services. The voting rights that the Company exercised at a shareholder's meeting and important resolutions are the responsibility of the company's internal investment research team.

***Process flow for Taishin Securities Investment Trust to attend shareholders' meeting of a domestic listed/OTC company (see table below):**



保管機構接獲上市櫃公司股東會開會通知書，核對股數無誤後，將開會通知書送達本公司	A custody receives shareholders' meeting notice from a listed/OTC company, then verifies the number of shares and forwards the notice to the Company
由投資單位召開會議進行出席股東會議案討論及如何行使投票權	Investment units convene a meeting to discuss matters about attendance and proposals and how to exercise voting rights
依據會議決議指派代表基金出席人員或行使電子投票	As resolved at the meeting, a representative is appointed to attend the meeting or exercise votes electronically
代表基金會出席人員於股東會後出具會後報告書，如為電子投票將留存書面投票紀錄	Representative produces a report after attending shareholders' meeting; a printed record of electronic votes shall be kept for future reference

6. Disclosure of votes

In compliance with Principle 5 “Establish and disclose clear voting policies and voting results” of the Stewardship Principles for Institutional Investors, in 2016, the Company began disclosing annual voting results that pertain to the domestic shares held by the funds it manages in the **Stewardship Section** of the company website.

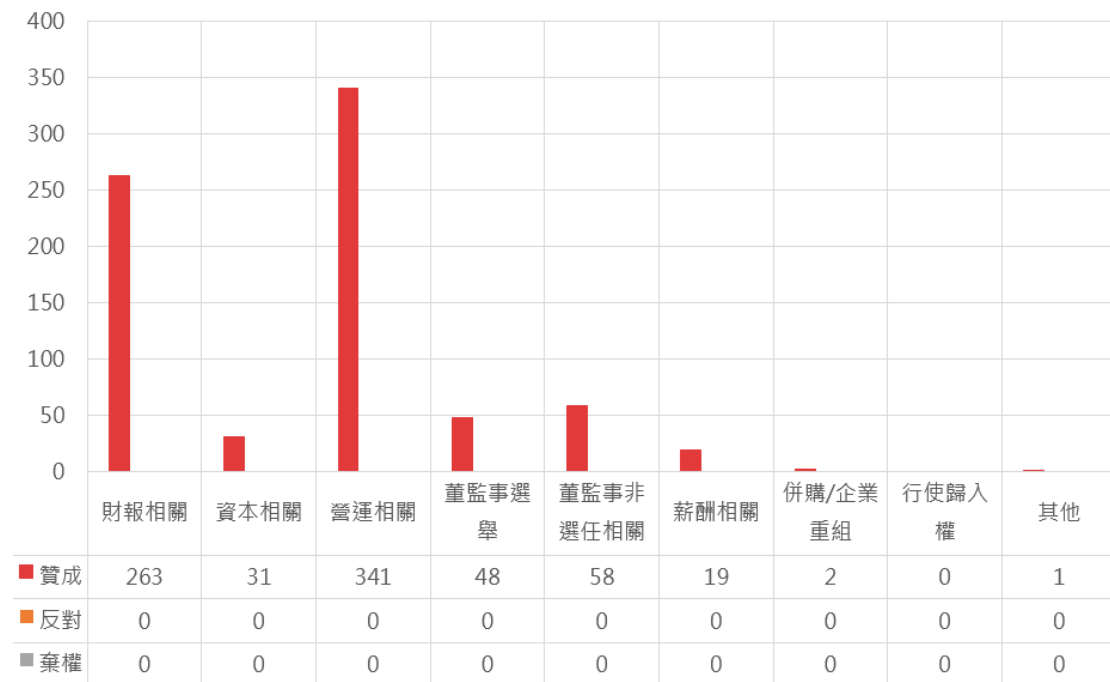
In 2022, the Company **attended the shareholders' meeting of 82 companies** and voted on **763** motions, recording a **100%** attendance and voting participation rate.

Motions proposed at the shareholders' meeting of investee companies which the Company attended, did not infringe upon our interest nor violate ESG-related policies. Therefore, the Company voted in favor of all the motions were and did not vote against or abstain from voting.

The link (3) and explanation of the Stewardship Section on voting results for 2022 are as follows:

(I) Voting results for each issue are disclosed in a chart:

(Electronic voting results of a shareholders' meeting for each issue are disclosed and summarized below in a chart and table)



財報相關	Financial reports
資本相關	Capital
營運相關	Operations
董監事選舉	Election of Directors/Supervisors
董監事非選任相關	Unrelated to Election of Directors/Supervisors
薪酬相關	Remuneration
併購／企業重組	Mergers / Corporate restructuring
行使歸入權	Exercise of the right of disgorgement
其他	Other
贊成	In favor
反對	Opposed
棄權	Abstained

※ 1. Electronic voting results of a shareholders' meeting for each issue are disclosed in the chart above

※ 2. Voting results for each motion proposed at the shareholders' meeting are summarized in the table below

類別	議案	總議案數	贊成	反對	棄權
1	營業報告書與財務報告之承認	129	129	0	0
2	盈餘分派或虧損撥補	134	134	0	0
3	章程或作業程序修訂	341	341	0	0
4	董監事選舉	48	48	0	0
5					
6	解除董事競業禁止	58	58	0	0
7	發行限制員工權利新股	17	17	0	0
8	低於市價發行員工認股權憑證	2	2	0	0
9	庫藏股低於實際平均買回價格轉讓員工	0	0	0	0
10	公司解散、合併、收購、股份轉換或分割	2	2	0	0
11	增資(盈餘/資本公積/紅利分派轉增資或現金增資發行新股)	16	16	0	0
12	私募有價證券	11	11	0	0
13	減資/現金減資(彌補虧補或現金退還)	4	4	0	0
14	行使歸入權	0	0	0	0
15	其他	1	1	0	0
總計		763	763	0	0
		100%	100%	0%	0%

類別	Category
議案	Motion
總議案數	Number of Motions
贊成	In favor
反對	Opposed
棄權	Abstained
營業報告書與財務報告之承認	Ratification of business report and financial report
盈餘分派或虧損撥補	Distribution of earnings or make-up of deficit
章程或作業程序修訂	Amendments to Articles of Incorporation or operating procedures
董監事選舉	Election of Directors/Supervisors
解除董事競業禁止	Removal of non-competition restriction for directors
發行限制員工權利新股	Issuance of new restricted employee shares
低於市價發行員工認股權憑證	Issuance of employee stock option below market price
庫藏股低於實際平均買回價格轉讓員工	Transfer of treasury shares to employees at lower than actual average buy-back price
公司解散、合併、收購、股份轉換或分割	Company dissolution, consolidation, merger and acquisition, share transfer, or divestment
增資(盈餘/資本公積/紅利分派轉增資或現金增資發行新股)	Capital increase (use of retained earnings/capital surplus/dividends to increase capitalization, or use of cash capital to issue new stocks)

(II) Disclose voting activities on company/case basis and describe reason for opposing a motion.

1. In 2022, motions proposed at the shareholders' meeting of investee companies which the Company attended, did not infringe upon our interest nor violate ESG-related policies. Therefore, the Company voted in favor of all the motions were and did not vote against or abstain from voting.

股東會議案分類投票統計(使用電子投票彙總表-依15分類)																
戶名：27326178B台新投信		統一編號/稅籍編號：27326178														
股東會期間：111上半年		製表日期：111/09/01														
使用電子投票家次：82家次		使用電子投票表決權數：15,939,948權														
類別	議案	總議案數	投票總權數	贊成				反對				棄權				反對理由
				議案數	%	權數	%	議案數	%	權數	%	議案數	%	權數	%	
1	營業報告書與財務報告之承認	129	15,949,948	129	100.00%	15,949,948	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
2	盈餘分派或虧損撥補	134	16,517,948	134	100.00%	16,517,948	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
3	章程或作業程序修訂	341	38,654,315	341	100.00%	38,654,315	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
4	董監事選舉	公司家次(得選舉案數)		48				投票家次(選舉案數)				48				100.00%
5																0.00%
6	解除董事競業禁止	58	7,798,182	58	100.00%	7,798,182	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
7	發行限制員工權利新股	17	2,467,000	17	100.00%	2,467,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
8	低於市價發行員工認股權憑證	2	357,000	2	100.00%	357,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
9	庫藏股低於實際平均買回價格轉讓員工	0	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
10	公司解散、合併、收購、股份轉換或分割	2	385,000	2	100.00%	385,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
11	增資(盈餘/資本公積/紅利分派轉增資或現金增資發行新股)	16	1,411,099	16	100.00%	1,411,099	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
12	私募有價證券	11	1,911,000	11	100.00%	1,911,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
13	減資/現金減資(彌補虧補或現金退還)	4	556,000	4	100.00%	556,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
14	行使歸入權	0	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
15	其他	1	325,000	1	100.00%	325,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	

製表：臺灣集中保管結算所股份有限公司

股東會議案分類投票統計(使用電子投票彙總表-依15分類)	Statistics of votes on each category of motion at shareholders' meeting (using aggregate table for electronic voting - 15 categories)
戶名：27326178B 台新投信	Account Name: 27326178B Taishin Securities Investment Trust
股東會期間：111 上半年	Shareholders' meeting period: 1st half of 2022
使用電子投票家次：82 家次	No. of companies using electronic voting: 82
統一編號/稅籍編號：27326178	GUI No./ Tax No.: 27326178
製表日期：111/09/01	Compiled on: 111/09/01
使用電子投票表決權數：15,939,948 權	No. of voting rights exercised electronically: 15,939,948 votes
類別	Category
議案	Motion
總議案數	Total No. of Motions
投票總權數	Total No. of Votes
贊成	In favor
議案數	No. of Motions
權數	No. of Votes
反對	Opposed
議案數	No. of Motions
權數	No. of Votes
棄權	Abstained
議案數	No. of Motions
權數	No. of Votes

反對理由	Reason for Voting Against
營業報告書與財務報告之承認	Ratification of business report and financial report
盈餘分派或虧損撥補	Distribution of earnings or make-up of deficit
章程或作業程序修訂	Amendments to Articles of Incorporation or operating procedures
董監事選舉	Election of Directors/Supervisors
公司家次（得選舉案數）	No. of Companies (no. of companies that may elect)
投票家次（選舉案數）	No. of Companies that Voted (no. of elections)
解除董事競業禁止	Removal of non-competition restriction for directors
發行限制員工權利新股	Issuance of new restricted employee shares
低於市價發行員工認股權憑證	Issuance of employee stock option below market price
庫藏股低於實際平均買回價格轉讓員工	Transfer of treasury shares to employees at lower than actual average buy-back price
公司解散、合併、收購、股份轉換或分割	Company dissolution, consolidation, merger and acquisition, share transfer, or divestment
增資(盈餘/資本公積/紅利分派轉增資或現金增資發行新股)	Capital increase (use of retained earnings/capital surplus/dividends to increase capitalization, or use of cash capital to issue new stocks)
私募有價證券	Private placement of securities
減資/現金減資（彌補虧補或現金退還）	Capital decrease/cash capital decrease (make up of deficit or cash refund)
行使歸入權	Exercise of the right of disgorgement
其他	Other
製表：臺灣集中保管結算所股份有限公司	Compiled by: Taiwan Depository & Clearing Corporation

股東會議案分類投票統計(使用電子投票彙總表-依15分類)

戶名：27326178B台新投信		統一編號/稅籍編號：27326178														
股東會期間：111上半年		製表日期：111/09/01														
使用電子投票家次：82家次		使用電子投票表決權數：15,939,948權														
類別	議案	總議案數	投票總權數	贊成				反對				棄權				反對理由
				議案數	%	權數	%	議案數	%	權數	%	議案數	%	權數	%	
1	營業報告書與財務報告之承認	129	15,949,948	129	100.00%	15,949,948	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
2	盈餘分派或虧損撥補	134	16,517,948	134	100.00%	16,517,948	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
3	章程或作業程序修訂	341	38,654,315	341	100.00%	38,654,315	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
4	董監事選舉	公司家次 (得選舉案數)	48				投票家次(選舉案數)				48				100.00%	
5															0.00%	
6	解除董事競業禁止	58	7,798,182	58	100.00%	7,798,182	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
7	發行限制員工權利新股	17	2,467,000	17	100.00%	2,467,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
8	低於市價發行員工認股權憑證	2	357,000	2	100.00%	357,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
9	庫藏股低於實際平均買回價格轉讓員工	0	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
10	公司解散、合併、收購、股份轉換或分割	2	385,000	2	100.00%	385,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
11	增資(盈餘/資本公積/紅利分派轉增資或現金增資發行新股)	16	1,411,099	16	100.00%	1,411,099	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
12	私募有價證券	11	1,911,000	11	100.00%	1,911,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
13	減資/現金減資(彌補虧補或現金退還)	4	556,000	4	100.00%	556,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
14	行使歸入權	0	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
15	其他	1	325,000	1	100.00%	325,000	100.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	

製表：臺灣集中保管結算所股份有限公司

2. For disclosure of voting activities on company/case basis, click Link (3) on Stewardship Section to see 2022 Shareholders' Meeting Voting Record

VII. Website Disclosure (Periodically disclose the status of fulfilling its stewardship responsibilities)

The Company periodically discloses, on its website before the end of June every year, its status of fulfilling stewardship responsibilities. Its Stewardship Report is disclosed to the public by setting up a **Stewardship Section** under **About TSIT** on the Company's official website. In 2016, the Company began disclose the status of fulfilling its stewardship responsibilities on its website. The disclosed content is composed of five sections:

- (I) Statement of Compliance with Stewardship Principles for Institutional Investors and explanation of non-compliance**
- (II) 2021 Stewardship Report**
- (III) 2022 Shareholders' Meeting Voting Record (disclosure of voting activities on company/case basis)**
(2021 Summary of Voting Activities at Shareholders' Meeting of Domestic Shares Invested and Held by the Funds the Company Manages)
- (IV) Engagement record (2022, 2021)**
- (V) Other**

VIII. Stewardship effectiveness evaluation and description of non-compliance

(I) Stewardship Effectiveness Evaluation

The stewardship actions taken by the Company during the reporting period have been effective. The established systems have been improved in an incremental manner, while the implementation of such systems has achieved preliminary results. Details are described as follows:

1. The Company has established and disclosed its Stewardship Policy, Conflict of Interest Management Policy, and Voting Policy, and reviews in a timely manner whether these policies need to be amended.
2. The Company has signed and disclosed its Statement of Compliance with Stewardship Principles (updated version).
3. The Company maintains dialogue and interaction with investee companies, achieving 100% attendance and voting participation rate at shareholders' meetings.
4. The Company periodically disclose the status of fulfilling its stewardship responsibilities and provides contact information for investors.

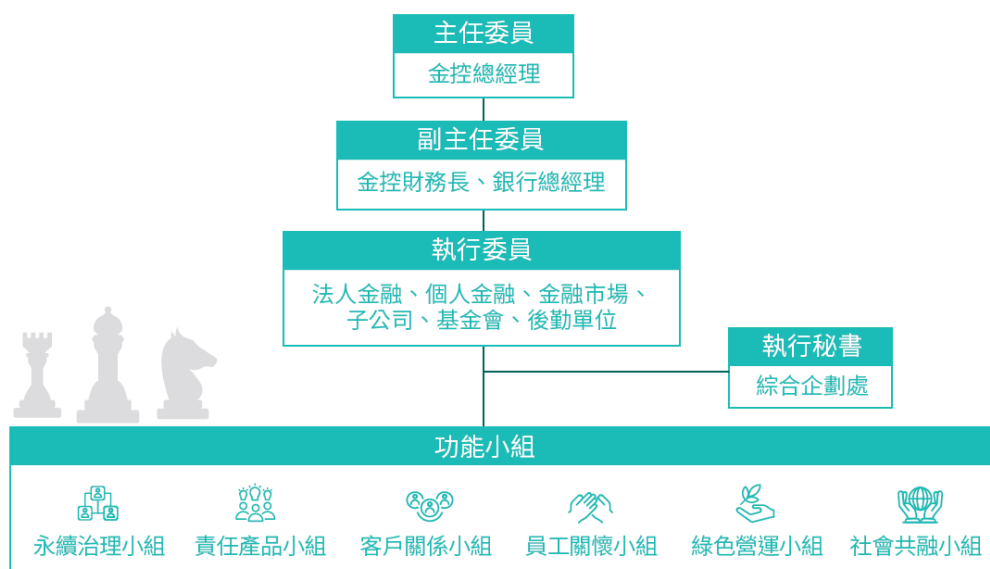
(II) Explanation of Non-compliance

None (As of 2022, the Company began disclosing voting activities at shareholders' meeting, which is disclosed in aggregate and also by using charts to show statistics of issues and tables to disclose voting records on a company/case basis.)

IX. Stewardship Team and Organizational Structure

In order to comply with the Stewardship Principles for Institutional Investors, the Company delegates its Legal Compliance and Risk Management Office to oversee the company's stewardship performance, including the implementation of Stewardship Policy and Conflicts of Interest Management Policy, all in an effort to fulfill its duties as a prudent manager and faithfully protect the rights of investors. While ensuring the sustainable development of investee companies, the Investment Office incorporates environmental, social, and governance (ESG) issues into investment assessment processes so that when making investments or performing the responsibility of a custodian, the Company will monitor the business activities of investee companies and participate in their corporate governance, either by attending shareholders' meetings, exercising voting rights, and engaging in dialogue and interaction with investee companies as appropriate.

※ Organizational profile of Taishin Corporate Social Responsibility Committee:



Taishin FHC has established Corporate Social Responsibility Best Practice Principles and set up a Corporate Social Responsibility Committee to promote and implement corporate sustainability. The Committee is currently chaired and convened by the President of Taishin FHC, with the CFO of Taishin FHC and the President of Taishin Bank acting as Vice Chairman. Committee members are composed of CEOs from each business division and representatives from subsidiaries and foundations of Taishin. The Committee is responsible for setting corporate sustainability strategies and general goals, and reviewing annual corporate sustainability plans and proposals, the implementation progress and annual outcomes of corporate sustainability proposals, as well as corporate sustainability reports.

The Corporate Social Responsibility Committee has convened two meetings in 2021, discussing the following agendas: 2022 ESG project plans, material topic matrix, climate sensitivity analysis on investment and financing targets, plans for reporting mechanism of potential risks, and science-based targets (SBT) for investment and financing activities. In 2018, the Company began presenting and reporting ESG implementation results and significant plans to the Board of Director. The Chairman and Executive Committee Members routinely attend meetings of the Board of Director to communicate with the Board on ESG-related issues as needed.

X. Taishin Securities Investment Trust Contact Information

You are welcome to contact the Company should you have any suggestions or

questions regarding this Report.

Corporate Governance

Name: Chien-Hong Shen, Vice President Tel: 02-25013838#6010

Name: Kung-Yao Hsu, Manager Tel: 02-25013838#6046

News Media Service

Name: Fang-Tzu Lin, Assistant Manager Tel: 02-25013838#6920

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