

Taishin Securities Investment Trust Co., Ltd.

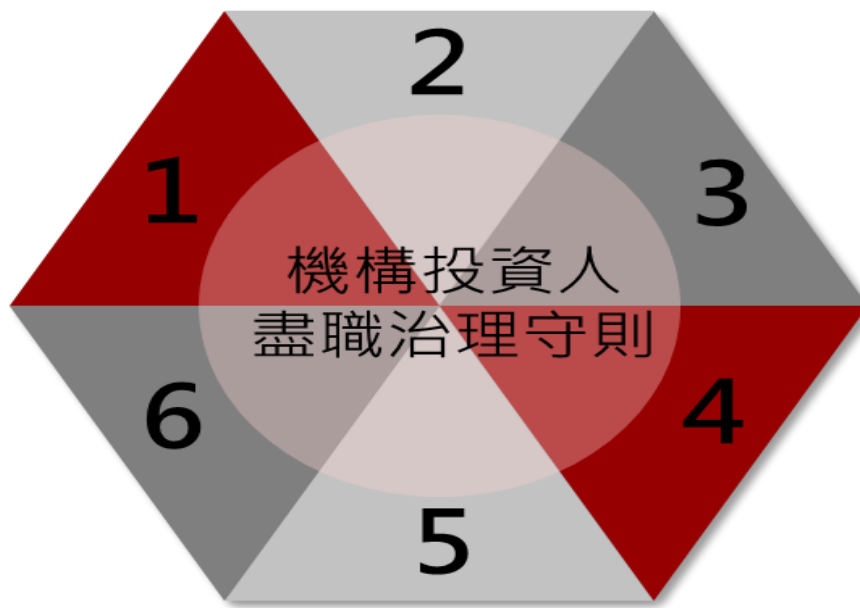
2023 Stewardship Report

(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

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 2023 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 2023

*Other information please refers to 2023 Stewardship Report Chinese Version.