



# EXIMBANK

The Export-Import Bank of the Republic of China

# SUSTAINABILITY REPORT 2023

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# About the Report

This report is structured around five main aspects: sustainable governance, outstanding service, environmental sustainability, talent management, and social contribution. It discloses the perspectives and responses of The Export-Import Bank of the Republic of China (hereinafter referred to as “Eximbank”) to sustainability issues related to the economy, environment, society, and governance.

## Reporting Period

The information covered in this report primarily spans from January 1, 2023, to December 31, 2023. Some information includes events before and after 2023, and future management policies, goals, and plans are also partially included.

## Scope of the Report

The data collection process and measurement calculation methods in this report were conducted by inviting relevant departments. Through the collection of daily operational management data and interviews with various units, performance information in the areas of Economic, Environmental, Social, and Governance (ESG) was compiled for the headquarters and branches of Eximbank, as well as the representative offices in Bangkok, Thailand; Jakarta, Indonesia; and Prague, Czech Republic. The environmental performance information and the employee-related social performance information do not include overseas offices (as these offices do not engage in business operations).

The collection, measurement, and calculation methods of various indicator data are primarily based on local regulatory requirements. If local regulations are not specified, international standards (such as relevant ISO international standards) are referenced. If no international standards are applicable, industry standards or industry practices are followed.

In 2023, there were no significant changes in the organizational scale, structure, ownership, or supply chain of Eximbank compared to 2022, and there were no recompiled information in the report.

## Publication

A sustainability report will be issued annually and published on the official website. The previous report was issued in September 2023, and the 2023 report (Chinese Version) was published in September 2024.

## Feedback

TEL:+886 2 2321 0511

FAX:+886 2 2394 0630

WEB:<https://www.eximbank.com.tw>

EMAIL:[eximbank@eximbank.com.tw](mailto:eximbank@eximbank.com.tw)

ADDRESS:8F, No.3, Nanhai Road, Taipei (10066), Taiwan, Republic of China



The Export-Import Bank of the Republic of China





# Message from the Chairman

Together, we go to the world, now and beyond.

As a policy-oriented specialized bank focused on trade finance, Eximbank continues to respond to our government's declared goal of "net zero emissions by 2050". We actively address sustainability issues in the economic, environmental, social, and governance (ESG) areas and strive to extend the concept of sustainable development to our suppliers and customers, working hand in hand with Taiwanese enterprises to establish a global presence.

In the second half of 2023, as the Covid-19 pandemic eased, there was a surge in domestic travel and dining demand, leading to steady growth in private consumption. However, geopolitical instability persisted, with the Russia-Ukraine war entering its second year and the outbreak of war in Israel, causing global energy shortages and ongoing inflation. Major central banks continued to adopt tight monetary policies, leading to a sluggish global manufacturing sector, a slowdown in the service sector, and ongoing inventory reduction in manufacturing, which in turn affected Taiwan's foreign trade momentum and investment willingness of manufacturers. In light of the intensifying US-China trade war, Taiwanese businesses in China began considering relocating their global manufacturing supply chains to mitigate tariff impacts and diversify supply chain risks, increasing the demand for de-sinicization and southward expansion. Additionally, due to geopolitical tensions and China's post-pandemic economic recovery falling short of expectations, Taiwanese SMEs have an urgent need to explore other overseas markets.

In recent years, several extreme weather events, such as unprecedented heatwaves in Europe causing temperatures to soar above 40°C in many cities, extreme snowstorms in North America disrupting transportation and causing widespread power outages, and severe typhoons hitting East Asia, have resulted in significant casualties and property losses. In response to extreme climate conditions, public and private sectors and multinational non-governmental organizations have accelerated the implementation of various contingency plans to address rapid climate changes. In 2023, Taiwan officially passed the "Climate Change Response Act" and announced the goal of net zero emissions by 2050, initiating the implementation of carbon fee collection.

As a policy-oriented specialized bank, we remain steadfast in our position, actively cooperating with government policies to address the aforementioned global economic uncertainties, geopolitical turmoil, climate change threats, and challenges faced by Taiwanese enterprises. We promote initiatives such as the "New Southbound Policy", "Strengthened Export Credit Insurance Preparation Program", "Forward-looking Infrastructure Development Program", "Six Core Strategic Industries", and the "Africa Plan", providing the necessary export credit insurance, financing, or guarantees to Taiwanese enterprises to enhance their international competitiveness. We also strengthen the implementation of the "National Financing Guarantee Mechanism Promotion Plan" to help Taiwanese enterprises obtain the necessary financing, promoting the comprehensive development of major green energy projects and industrial ecosystems in Taiwan. Additionally, we actively promote the operational mechanism of the "Central and Eastern Europe Credit Fund" to facilitate substantial cooperation in technology, industry, and trade between Taiwan and Central and Eastern European countries, deepening economic and trade linkages and enhancing Taiwan's visibility in the international market.

In the face of volatile climate and financial environments, Eximbank continues to strengthen and implement risk management, enhance cybersecurity capabilities, improve financial transaction security, ensure customer rights, and balance risk control with business promotion. We integrate effective resources to support industrial development and assist export manufacturers through practical actions.

Eximbank has established a "Sustainable Development Committee" under the Board of Directors to promote various ESG policies. In terms of environmental sustainability, we promote green finance and climate finance related to environmental and climate issues, sign up for the Equator Principles Association, follow the Equator Principles guidelines, and implement project financing review processes. Through financial influence, we collaborate with enterprises to jointly implement environmental protection and social responsibility. To further engage in sustainability-related issues, Eximbank has committed to becoming a TCFD supporter and has published a TCFD report. In terms of social responsibility, we emphasize inclusive finance to enhance social welfare, review the labor rights concerns of credit customers, and encourage employees to actively participate in public welfare activities and care for disadvantaged groups. In terms of corporate governance, Eximbank received confirmation from Fitch Ratings in 2023 that its long-term and short-term issuer default ratings are "AA" and "F1+" respectively, with domestic long-term and short-term ratings of "AAA(twn)" and "F1+(twn)" respectively, and a long-term rating outlook of "stable." These are the highest credit ratings obtained by domestic banks, consistent with Taiwan's sovereign rating, indicating Eximbank's excellent creditworthiness and strong performance capability, maintaining good asset quality and stable profitability.

Looking ahead, Eximbank will continue to uphold the belief of "strengthening trade finance and assisting foreign trade", serving the needs of Taiwanese export manufacturers with the spirit of "integrity, excellence, and sharing." We will enhance integrity management, regulatory compliance, anti-money laundering, and risk management, establish sound management policies with a professional and independent Board of Directors, strengthen talent cultivation and collective learning and growth, and actively implement sustainable operations. We will continue to promote green finance action plans, expand the influence of green finance, support Taiwanese enterprises in striving towards sustainable development goals, and jointly protect the earth's environment and human prosperity.



Chairman  
Teng-Shan Tai



# Highlights



## Environmental

1. In 2023, compared with 2022, the amount of electricity used was reduced by 8.72% and the amount of oil was reduced by 4.47%, reached the goal of saving 2%.
2. Establish a greenhouse gas inventory promotion team to plan educational training and promote emission reduction within the organization.
3. Starting in 2022, ISO14064-1 was implemented, and the 2022 greenhouse gas inventory and verification were completed in August 2023. The 2023 greenhouse gas inventory and verification were passed by the end of June 2024.
4. Signed the Task Force on Climate-related Financial Disclosures (TCFD) and followed the TCFD framework to strengthen the risk management mechanism. A TCFD report working group composed of senior executives was formed to actively promote the introduction of climate-related financial disclosures. The TCFD report was released in June 2024, disclosing the actions taken by Eximbank in response to climate change in 2023.
5. In March 2023, the "Implementation Guidelines for Equator Principles Cases of Eximbank" and the "Operational Regulations for Equator Principles Cases of Eximbank" were approved to implement the project financing review process.

1. One person was selected as the exemplary civil servant of the Ministry of Finance for 2023; three people were recognized as outstanding financial personnel for 2023; and one person was honored as the integrity model of the Ministry of Finance for 2023.
2. A total of NT\$4,289,262 was provided in various subsidies for employees.
3. A total of 36 professional and legal seminars were organized, an increase of 28.57% compared to 2022; the total participation time was 101 hours, with 3,028 participants, an increase of 47.35% compared to 2022.
4. The number of fatal occupational safety incidents was zero.



## Social



## Governance

1. According to the "Eximbank Sustainable Development Practice Guidelines" and the "Eximbank Sustainable Development Committee Establishment Guidelines", the committee reports the implementation results of ESG sustainable development to the board of directors annually.
2. In the 2023 Integrity Service Index Survey Report, Eximbank received the highest scores among the Ministry of Finance's affiliated institutions for internal employees' overall integrity and confidence in continuous improvement. For external business partners' overall integrity and confidence in continuous improvement, Eximbank tied for the highest score among the Ministry of Finance's affiliated institutions with another institution.
3. The financing budget target achievement rate was 120.29%.
4. The guarantee budget target achievement rate was 131.08%.
5. The export credit insurance budget target achievement rate was 112.71%.
6. The New Southbound Policy loan target achievement rate was 120.8%.
7. The New Southbound Policy guarantee target achievement rate was 105.3%.
8. The New Southbound Policy export credit insurance target achievement rate was 118.6%.
9. The average balance of SME accounts from January to June and from July to December was NT\$9.168 billion and NT\$9.479 billion, respectively, which were 100% and 101% of the average balance for the same period last year.
10. The total amount of export credit insurance services provided to SMEs was NT\$58.725 billion.
11. To reduce the occurrence of violations of Article 14 of the "Act on Recusal of Public Servants Due to Conflicts of Interest", relevant prevention mechanisms were established.
12. To stay current, the "Eximbank Integrity Management Program" was revised to make the content more comprehensive and clear.





# CH-1

# Sustainable Governance

Eximbank is committed to improving corporate governance, adhering to regulatory compliance, effectively managing risks, and maintaining stable profitability to establish a foundation for sustainable development. Through high standards of business ethics and effective accountability mechanisms, the bank maintains an excellent corporate governance system and fosters a culture of integrity to achieve the interests of customers and all stakeholders.

## Highlights 1



According to the “Eximbank Sustainable Development Practice Guidelines” and the “Eximbank Sustainable Development Committee Establishment Guidelines”, the committee reports the implementation results of ESG sustainable development to the board of directors annually.

## Highlights 2

The 2023 Integrity Service Index Survey Report shows that Eximbank received the highest ratings among Ministry of Finance-affiliated institutions for overall integrity and confidence in continuous improvement from internal employees. For external partners, Eximbank tied with another institution for the highest ratings in overall integrity and confidence in continuous improvement among Ministry of Finance-affiliated institutions.

## Highlights 3

To strengthen compliance awareness, on November 3, 2023, the general manager approved revisions to the “Eximbank Integrity Management Program”, making the program’s regulations more comprehensive and clear.





# 1.1 Eximbank and Operational Performance

## 1.1.1 About Eximbank

Eximbank was established on January 11, 1979, in accordance with the "The Export-Import Bank of the Republic of China Act". With a paid-in capital of NT\$34 billion, it is fully funded by the national treasury, making it a 100% state-owned bank. As a state-owned specialized bank supervised by the Ministry of Finance, Eximbank's mission is to promote export trade and economic development, with the goal of strengthening trade finance and assisting foreign trade. Its main tasks include providing financing, guarantees, and export credit insurance services in line with government economic and trade policies, supporting manufacturers in expanding foreign trade and overseas investments, and promoting international cooperation. Currently, Eximbank has branches in Kaohsiung, Taichung, Hsinchu, and Tainan, and representative offices in Bangkok, Jakarta, and Prague. Eximbank will continue to assist domestic manufacturers in participating in international financial activities, promote major economic construction and

**Vision**  
Strengthening Trade Finance, Assisting Foreign Trade

**Commitment**  
Professional Functionality, Integrity in Management, Efficiency First

**Goals**  
Policy-Oriented, Professional Approach, International Cooperation

**Offices**  
industrial development in Taiwan, and increase employment opportunities.

<b>Paid-in Capital</b> (as of December 31, 2023)	NT\$34,000,000,000
<b>Total Assets</b> (as of December 31, 2023)	NT\$188,793,783,388
<b>Chairman</b>	Teng-Shan Tai
<b>President</b>	Fu-Hua Hsieh
<b>Head Office Address</b>	8th Floor, No. 3 Nanhai Road, Taipei
<b>Total Number of Employees</b> (as of December 31, 2023)	260 employees
<b>Number of Business Locations</b>	Head Office, 4 branches, 3 overseas representative offices (no business activities)
<b>2023 Credit Rating</b>	<p>Eximbank places great importance on credit ratings and participates in various evaluations annually, striving for fair and improved performance. Fitch Ratings awarded the following credit ratings on November 20, 2023:</p> <ul style="list-style-type: none"> <li>Long-term Issuer Default Rating: AA; Outlook Stable</li> <li>Short-term Issuer Default Rating: F1+</li> <li>National Long-term Rating: AAA(twn); Outlook Stable</li> <li>National Short-term Rating: F1+(twn)</li> <li>Government Support Rating: aa</li> <li>National Long-term Rating for Senior Unsecured Bonds: AAA(twn)</li> </ul>





## Value Chain and Business Relationships





## 1.1.2 Operational Performance

Eximbank's net income for 2023 was NT\$2,792 million, an increase of NT\$908 million or approximately 48.2% compared to NT\$1,884 million in 2022. The pre-tax net profit for 2023 was NT\$1,262 million, an increase of NT\$405 million or approximately 47.3% compared to NT\$857 million in 2022. In 2023, Eximbank did not receive any financial subsidies from the government.

### (I) Operational Performance Over the Past Three Years

(Unit: NTD thousand)

Category	Year		
	2021	2022	2023
Net Income	1,478,075	1,884,780	2,792,226
Total Assets	151,254,154	179,029,042	188,793,783
Shareholders' Equity (Note 1)	34,940,497	36,552,967	39,686,275
Net Profit After Tax (Note 2)	728,616	789,751	1,138,810
Employee Welfare Expenses	373,362	398,558	416,980
Pre-tax Return on Equity	2.28%	2.40%	3.31%
Pre-tax Return on Assets	0.53%	0.52%	0.69%
Capital Adequacy Ratio	29.58%	26.69%	27.63%
Pre-tax Earnings Per Share (NT\$)	0.25	0.27	0.38

Note 1: Due to a special surplus reserve capital increase of NT\$288,813,000 on December 1, 2021, the paid-in capital was changed to NT\$32 billion. In 2023, there were cash capital increases of NT\$1.99 billion on June 1 and NT\$0.1 billion on August 1, bringing the paid-in capital to NT\$34 billion.

Note 2: As Eximbank is a state-owned enterprise, the final figures should be based on the audited numbers by the National Audit Office. Any discrepancies with previously disclosed figures have been retrospectively adjusted in this report.

### (II) Operational Performance in 2023

(Unit: NTD thousand)

Category	Basic Elements	2023
Direct Economic Value Generated	Revenue (including net sales, financial investment income, asset sales income)	7,238,530
Economic Value Distributed	Operating Costs	5,444,804
	Employee Salaries and Benefits	416,980
	Dividends (annual stock and dividend distribution)	-
	Payments to Government (taxes)	237,936
	Community Investments	-
Economic Value Retained	Generated Direct Economic Value minus Distributed Economic Value	1,138,810

### (III) Distinction of Revenue Sources Over the Past Three Year

(Unit: NTD thousand)

Category	Year		
	2021	2022	2023
Net Interest Income	1,292,999	1,766,702	2,951,775
Net Fee Income	59,063	61,686	66,879
Net Export Credit Insurance Income	227,670	264,302	261,708





#### (IV) Investment

Reinvestment	Investment Allocation	
	Number of Shares	Shareholding Ratio
Taipei Forex Inc.	700,000	3.53%
Financial Information Service Co., LTD.	6,460,857	1.24%
Taiwan Asset Management Corporation	3,000,000	0.28%

Eximbank operates in Taiwan, adhering to national tax regulations, accurately calculating taxes, and filing and paying taxes within the legal deadlines, fulfilling its tax obligations. Additionally, Eximbank publishes financial statements on its website to disclose tax information, ensuring transparency and fulfilling its corporate social responsibility.

#### (V) Tax Information

(Unit: NTD thousand)

Category		Year		
		2021	2022	2023
Pre-tax Net Profit		793,317	857,468	1,262,193
Income Tax Payable <sup>xaxa</sup>	Current Income Tax	64,700	67,717	123,383
	Deferred Income Tax	10,081	15,370	91,110
Effective Tax Rate (%) (Income Tax Payable / Pre-tax Net Profit)		9.43%	9.69%	16.99%
Income Tax Paid		44,507	86,683	97,365
Cash Tax Rate (%) (Income Tax Paid / Pre-tax Net Profit)		5.61%	10.11%	7.71%

Note 1: As Eximbank is a state-owned enterprise, the final figures should be based on the audited numbers by the National Audit Office. Any discrepancies with previously disclosed figures have been retrospectively adjusted in this report.

Eximbank actively negotiates with the National Development Fund and the SME Development Fund to provide competitive funding, reducing corporate financing costs and enhancing competitiveness. It also strengthens cooperation with the Small and Medium Enterprise Credit Guarantee Fund, helping SMEs obtain credit when lacking collateral through annual donations, thereby promoting business exports. Additionally, Eximbank makes various domestic and international donations. The table below shows the donation amounts and items for the past three years:

#### (VI) Donation Expenses

(Unit: NTD)

Category	Year		
	2021	2022	2023
Small and Medium Enterprise Credit Guarantee Fund	1,431,992	1,606,902	1,563,687
Public Donation - Taroko Express Train Accident Donation	500,000	-	-
Public Donation - Cheng Chung Cheng Fire Disaster Relief	300,000	-	-
Public Donation - Ukraine Refugee Relief	-	400,000	-
Public Donation - Turkey Earthquake Relief Project Donation	-	-	400,000






## 1.2 Integrity Management and Legal Compliance

Eximbank is a state-owned bank. In addition to the “Code of Ethics for Directors, Supervisors, and Managers of Eximbank” approved by the Board of Directors, there is also the “Integrity Management Program of Eximbank” approved by the General Manager, which clearly defines the policies and practices of integrity management. In 2023, Eximbank referred to the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” of the Taiwan Stock Exchange and revised the “Integrity Management Program of Eximbank” to include the “Promotion of Prohibition of Seven Major Unethical Behaviors and Types of Benefits”. Each business unit and employee handles credit, guarantees, and export credit insurance business in accordance with this program.

According to the 2023 Integrity Service Indicator Questionnaire Survey by the Ministry of Finance, Eximbank received the highest scores both internally and externally. Additionally, in response to Article 14 of the “Act on Recusal of Public Servants Due to Conflicts of Interest”, Eximbank established a prevention mechanism, revised forms, and notified each unit to strengthen legal compliance awareness to avoid violations.

### 1.2.1 Integrity Management and Anti-Corruption

Eximbank conducts an annual anti-corruption risk assessment and takes preventive measures to strengthen risk control. A dedicated office is responsible for related work, and an annual anti-corruption meeting chaired by the head of the bank is held to discuss the implementation of plans and important issues. This year’s meeting included a report on the revision of the integrity management program, which each unit must implement. Additionally, Eximbank participated in the Ministry of Finance’s Integrity Service Indicator Questionnaire Survey, and in 2023, there were no violations of integrity ethics or laws, nor any cases related to the “Act on Property-Declaration by Public Servants” and the “Act on Recusal of Public Servants Due to Conflicts of Interest”. Major integrity issues include the support of the head of the bank, coverage of promotion and training, and supervision by the integrity system (Department of Civil Service Ethics of the Ministry of Finance), the Ministry of Finance, the Financial Supervisory Commission, the Control Yuan.

Perspective	Long-term goal	2023 Achievements
 <b>Integrity</b>	Strengthen the promotion and implementation of civil servant integrity ethics and the Sunshine Act, collect public opinion survey data on integrity, and actively conduct the selection of integrity models and anti-corruption advocacy work. Enhance the promotion of reporting illegal activities, encourage public participation, strengthen whistleblower protection measures, collect and report cases, and grasp anti-corruption clues to enhance a culture of integrity.	The 2023 Integrity Service Indicator Survey Report: According to the ratings by internal employees on the overall integrity and continuous improvement confidence of their institutions, Eximbank ranked the highest among the Ministry of Finance’s affiliated institutions. Similarly, in the ratings by external parties on the overall integrity and continuous improvement confidence of their interacting institutions, Eximbank tied for the highest position among the Ministry of Finance’s affiliated institutions with another entity.
 <b>Safety</b>	To comply with relevant safety regulations of financial institutions and physical and environmental information security management regulations, multiple surveillance recording devices are installed at key entrances and exits and important equipment, with regular maintenance.	Daily review of surveillance footage is conducted to detect and promptly handle any abnormal situations. In 2023, there were no security incidents within the institution, indicating good performance.
 <b>Confidential</b>	Strengthen colleagues’ awareness of confidentiality to prevent the leakage of sensitive information and documents.	1. Promotion of official secrets is carried out through business meetings and other occasions. 2. Irregular inspections of official secrets are conducted. In 2023, there were no incidents of confidential information leakage, indicating good performance.





## Anti-Corruption and Integrity Promotion

Eximbank places great importance on integrity education. The bank promotes integrity concepts to all employees through the employee portal and emails. Colleagues with questions can consult the Ethics Office, and new employees receive training on integrity and regulatory compliance. During monthly business briefings, the importance of integrity is also explained to senior managers.

In 2023, in addition to promoting integrity on the official website, intranet, meetings, and new employee training, Eximbank held briefings to introduce the "Corporate Integrity Service Platform." This initiative conveyed Eximbank's commitment to ESG, integrity, transparency, and compliance with anti-corruption issues. It aimed to foster public-private sector exchanges, enhance administrative efficiency, and promote industrial development, achieving short-term mutual trust and long-term cooperation for win-win outcomes.

Channel	Frequency of Integrity Promotion	Target Audience for Promotion	Promotion Content
Employee Portal	Irregular	Internal Employees	Relevant integrity concepts and regulations
Email	Irregular	Internal Employees	Relevant integrity concepts and regulations
Business Briefing	Irregular	Internal Employees	Relevant integrity concepts and regulations
Corporate Integrity Service Platform	Public External Website	Public External	Public-private sector cooperation to market Eximbank's integrity and efficiency measures
Public Officials Conflict of Interest Disclosure Section	Public External Website	Public External	Implement the Sunshine Acts and fully disclose relevant information

## Anti-Corruption Reporting

According to the internal reporting system of Eximbank, the Ethics Office is responsible for accepting and reviewing reports. After investigation, cases are reported or prosecuted based on the circumstances, and the identity of the whistleblower is kept confidential. The regulations also explicitly prohibit dismissal, demotion, salary reduction, infringement of rights, or any other adverse actions against the whistleblower due to the report, to protect the whistleblower's rights.

## Consultation and Reporting Channels

External Channels	Whistleblower Mailbox / Reporting Mailbox	et@eximbank.com.tw P.O. Box 00427, Nanhai Post Office, Taipei
Internal Channels	Employee Complaint Mailbox / Ethics Office Mailbox	et@eximbank.com.tw



## 1.2.2 Regulatory Compliance

To prevent bribery, acceptance of bribes, and the provision of illegal political donations, relevant preventive measures are implemented in the formulation of credit policy regulations, specifically addressing the bank's ethical risks. Additionally, regular awareness campaigns are conducted for management to prevent the occurrence of illegal activities such as accepting gifts or bribery. Furthermore, work rules are established, including employee service regulations, internal reporting system operation guidelines, and other laws and internal procedures to prevent dishonest behavior. During 2023, there were no material matters of legal and/or regulatory violations. The determination of material matters is based on the "Regulations Governing Scope, Reporting Procedures and other Compliance Matters of Material Contingencies to be Reported by Financial Institutions".



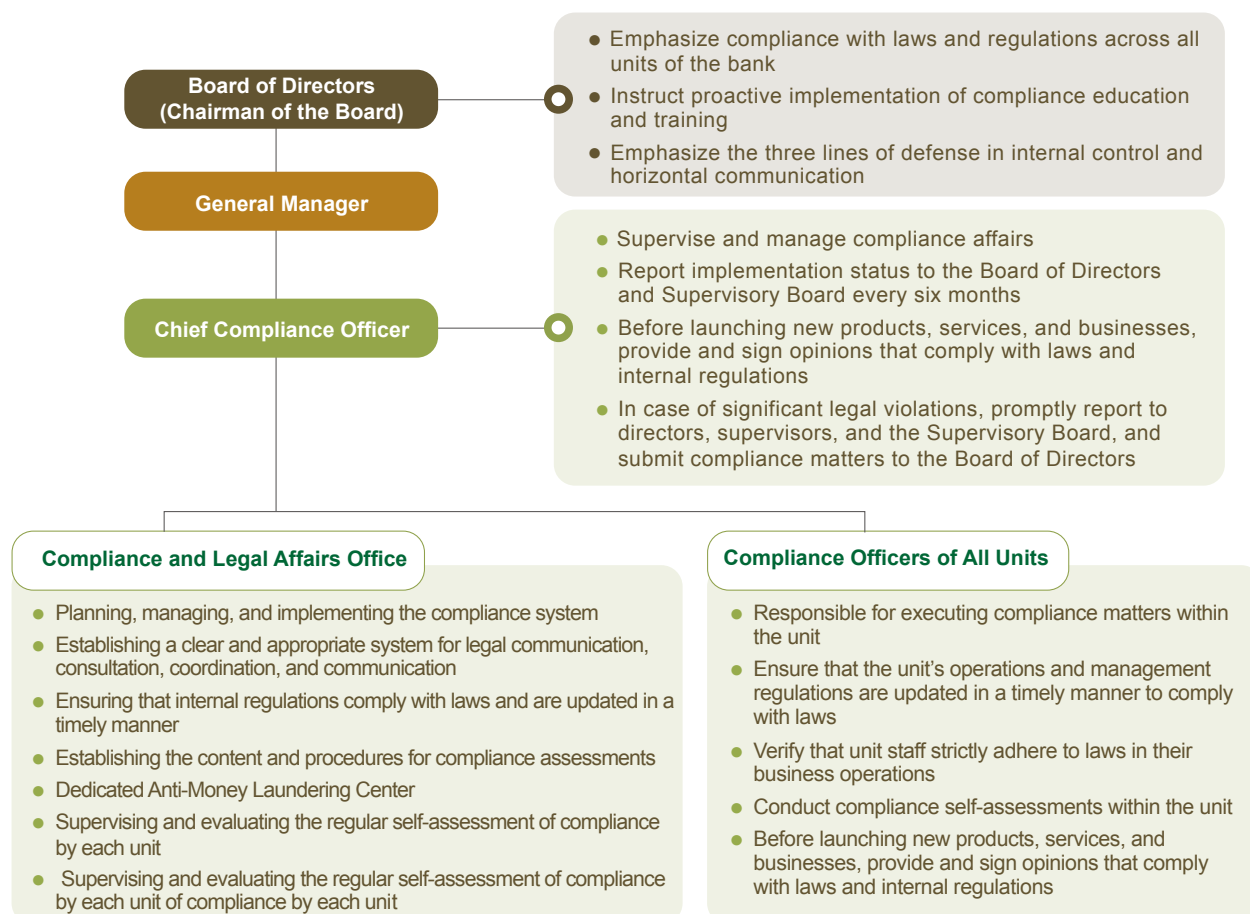
**Regulations Governing Scope, Reporting Procedures and other Compliance Matters of Material**

**Contingencies to be Reported by Financial Institutions.**

### Management Structure

The Compliance and Legal Affairs Office has a Director who is supervised by the Chief Compliance Officer. The management structure and related responsibilities are as follows:

- Every six months, the Chief Compliance Officer reports on compliance and anti-money laundering implementation to the Board of Directors and the Supervisory Board.
- There is a dedicated Anti-Money Laundering Center.
- When developing new products and services, a compliance risk assessment must be conducted, and control measures must be taken. Each unit first conducts its own assessment and provides explanations on regulatory compliance, which are then reviewed by the Compliance and Legal Affairs Office. After approval by the Chief Compliance Officer, the procedures are carried out according to regulations and reported to the competent authority.
- Legal risks are closely monitored by the Compliance and Legal Affairs Office and related units and reported to the head of the organization. Contracts and litigation related to Eximbank are handled or coordinated by the Compliance and Legal Affairs Office, and managed by legal advisor firm to control progress depending on cases.





## Legal Advocacy

To enrich employees' legal knowledge, the Compliance and Legal Affairs Office regularly collects legal materials from the Financial Supervisory Commission, the Central Bank, industry associations, and legal-related websites monthly. These materials are promoted to colleagues and compliance officers in various departments through the compliance section on the employee portal. Employees can also proactively consult the Compliance and Legal Affairs Office on compliance-related issues.

Collected Materials	Promotion Methods	Promotion Targets	Promotion Frequency
Latest regulations announced by the Financial Supervisory Commission (related to business)	Compliance Section, Monthly Compilation	Employees, Compliance Officers	At least once a month
Penalty cases announced by the Financial Supervisory Commission (related to business)	Compliance Section, Monthly Compilation	Employees, Compliance Officers	At least once a month
Latest regulations announced on the Central Bank's website (related to business)	Compliance Section, Monthly Compilation	Employees, Compliance Officers	At least once a month
Communications from the Bankers Association (related to business)	Compliance Section, Monthly Compilation	Employees, Compliance Officers	At least once a month
Legal database	Compliance Section, Monthly Compilation	Employees, Compliance Officers	At least once a month
Laws and information related to corporate governance	Electronic Meeting Board Agenda Platform	Directors and Supervisors	Continuous

## Customer Money Laundering and Terrorism Financing Risk Assessment Review Process of Eximbank

Procedure	Items	Explanation
1	Customer Identification and Due Diligence Procedures	Identify and verify customer identity according to regulatory requirements, conduct thorough customer due diligence, apply simplified measures for low-risk customers based on a risk-based approach, and take additional enhanced measures for high-risk customers, balancing administrative efficiency and risk control.
2	Customer Money Laundering and Terrorism Financing Risk Level Assessment	Establish detailed assessment indicators and risk scores based on factors such as region, customer, product and service, transaction, or payment channels, and classify customer money laundering and terrorism financing risk levels as high/medium/low risk. Implement tiered differential control and review procedures accordingly.
3	High-Risk Customer Reporting Procedures	Adopt enhanced review measures, attach relevant verification documents and checklists, and report to the Anti-Money Laundering Center. Business relationships or specific transactions can only be established or conducted after approval by the dedicated anti-money laundering compliance officer.
4	Transaction Review Procedures	For general/low-risk customers who meet the self-defined higher-risk transaction conditions, attach relevant verification documents and checklists for approval by the unit supervisor. Other cases should be handled according to the unit's standard operating procedures.
5	High-Risk Transaction Reporting Procedures for High-Risk Customers	For high-risk customers whose import/export transactions involve high-risk transaction conditions, attach relevant verification documents and checklists, and report to the Anti-Money Laundering Center. Specific transactions can only be conducted after approval by the dedicated anti-money laundering compliance officer (Chief Compliance Officer).
6	Regular Customer Risk Review Procedures	According to Article 8 of the "Money Laundering Control Act" and Article 12 of the "Regulations Governing Anti-Money Laundering of Financial Institutions", records of transactions should be kept for at least 5 years or a longer period as otherwise required by law after the business relationship is ended, or after the date of the occasional transactions.



## Anti-Money Laundering and Anti-Corruption Promotion

Eximbank regularly conducts pre-employment training for new employees and annual online compliance exams. Additionally, it periodically promotes anti-money laundering and anti-corruption measures through channels such as email and the employee portal. These efforts are aimed at communicating with all employees to reinforce and enhance their understanding of anti-money laundering and anti-corruption concepts, ensuring integrity in operations. In 2023, no corruption incidents were reported.

Promotion Channels	Content	Targets	Frequency
Email	Anti-Money Laundering, Integrity	Compliance Officers of Each Unit	Irregular
Employee Portal	Anti-Money Laundering, Integrity	All Employees	Anytime
Annual Online Compliance, Anti-Money Laundering, and Integrity Exams	Anti-Money Laundering, Integrity	Heads and All Staff	Once a Year
Pre-employment Training for New Employees	Anti-Money Laundering, Integrity	New Employees	During New Employee Orientation

## Anti-Money Laundering Certification

To enhance employees' workplace skills and prepare them for future job functions, as well as to improve their expertise in anti-money laundering, we actively encourage employees to obtain certifications as Anti-Money Laundering and Counter-Terrorism Financing Professionals and the internationally recognized Certified Anti-Money Laundering Specialist (CAMS) qualification.

**Anti-Money Laundering and Counter-Terrorism Financing Professional Certification**

50

**Internationally Recognized Certified Anti-Money Laundering Specialist (CAMS) Qualification**

6

## Training Programs

Eximbank conducts regular ongoing anti-money laundering training and assessments each year, including pre-employment and on-the-job training. Additionally, scholars and experts are occasionally invited to give lectures, and employees are sent to participate in educational training organized by institutions recognized by the Financial Supervisory Commission. Considering the ongoing domestic and international pandemic situation, both in-person and online courses were conducted in parallel in 2023.

Item	Courses	Course Description	Number of participants	Hours of participation
 <b>Anti-Money Laundering Training</b>	New Employee Training	Analysis of Anti-Money Laundering and Counter-Terrorism Financing Regulations and Case Studies.	19	1hr



Item	Courses	Course Description	Number of participants	Hours of participation
 <b>Anti-Money Laundering Training</b>	2022 Comprehensive Money Laundering, Terrorism Financing, and Proliferation Financing Risk Assessment Report - Online Course	Explanation of the bank's money laundering and terrorism financing risk distribution and control measures. All employees are required to continuously implement current risk control measures to ensure the bank establishes a risk-based assessment (RBA) mechanism, capable of preventing and responding to financial crimes.	157	1hr
	Current Trends and Case Studies in Domestic and International Anti-Money Laundering and Counter-Terrorism Financing	Inviting a prosecutor to give a special lecture.	170	3hr
 <b>Compliance Training</b>	2023 Compliance System Self-Assessment and Review Meeting	Promoting the Financial Supervisory Commission's 2023 financial inspection focus, the main inspection deficiencies of the Inspection Bureau in the first half of 2022, and explaining the bank's revised anti-money laundering and counter-terrorism financing risk management policies and procedures.	18	1hr
	2023 Fair Treatment Principles Mandatory Course - Online Course	Conducting online training courses on "Fair Treatment Principles in Financial Services", "Analysis of Financial Consumer Dispute Cases—Full Disclosure Obligations", and "Analysis of Financial Consumer Dispute Cases—Business Solicitation".	214	3hr
	Strategies for Preventing Financial Data Leakage and Cybersecurity Defense Against Fraud, Including Case Studies	Inviting an investigator to give a special lecture.	113	3hr
	Integrity, Compliance, and Cybersecurity Training	Analysis of Anti-Money Laundering and Counter-Terrorism Financing Regulations and Case Studies.	75	2hr
 <b>Exchange Meetings</b>	First Quarter Head Office and Branch Exchange Meeting	Analyzing legal issues related to credit contracts and joint guarantee agreements.	25	1hr
	Second Quarter Head Office and Branch Exchange Meeting	Analyzing regulations related to parent company loans to overseas subsidiaries for investment, and applying for Eximbank's overseas investment financing.	26	1hr
	Third Quarter Head Office and Branch Exchange Meeting	Reporting on the Financial Supervisory Commission's penalties for major corporate governance deficiencies at China Trust Commercial Bank, emphasizing the importance of corporate governance.	24	1hr





# 1.3 Risk Management and Internal Control

## 1.3.1 Risk Management

With the prevalence of financial innovation activities, banking operations have become increasingly complex, and the risks within the financial system have also increased. The importance of risk management is gaining more attention. The highest decision-making level for operational risk management at Eximbank is the Board of Directors, which approves operational risk management guidelines and major decisions. The Department of Risk Management is responsible for formulating the bank-wide operational risk management strategies and procedures and establishing the operational risk management mechanism. When each unit formulates various operational management regulations, they must incorporate relevant operational risk management provisions to achieve risk control. They must also follow the relevant operational risk management regulations and actively manage the operational risks within their responsibilities.

### Three Lines of Defense in Risk Management

Eximbank has established the “Implementation Guidelines for the Three Lines of Defense in Bank Internal Control”, which have been reviewed and approved by the Board of Directors. These guidelines serve as the basis for the implementation of the internal control system across the bank. Each business unit is responsible for the first line of defense in risk management, which involves continuously managing the related risks arising from operational activities, including but not limited to:



**Business Units**

1. Identify, assess, and control the risks associated with low-risk operations, and implement customer due diligence (KYC, know your customers) procedures to ensure that the operational risks align with the bank's risk appetite and keep risk control within an acceptable range for the unit.
2. Establish internal control procedures and maintain effective internal controls. When there are deficiencies in processes or controls, a corrective plan should be proposed in a timely manner.
3. Regularly or periodically conduct self-assessments on the above items (at least twice a year) and specialized reviews (business units must conduct specific related audits at least once per year), to ensure that risks are appropriately managed and controlled.

The Department of Risk Management and the Compliance and Legal Affairs Office are responsible for the second line of defense in risk management. The Department of Risk Management is tasked with formulating overall policies and establishing management systems, assisting, and supervising the first line of defense in managing risks. The Compliance and Legal Affairs Office is also responsible for the second line of defense in risk management, which includes planning, managing, and implementing the compliance system, setting the evaluation content and procedures for compliance, and supervising each unit to regularly conduct self-assessments of compliance and manage compliance affairs, including but not limited to:



**Department of Risk Management, Compliance and Legal Affairs Office**

1. Assist in identifying and measuring risks, defining risk management roles and responsibilities, providing a risk management framework, and regularly reporting risk management results to senior management.
2. Establish an independent and effective risk management mechanism to assess and monitor overall risk tolerance, current risk exposures, determine risk response strategies, and ensure compliance with risk management procedures.



The Auditing Office is responsible for the third line of defense, which involves auditing and evaluating the effectiveness of the internal controls and risk monitoring designed and implemented by the first and second lines of defense. It also provides timely improvement recommendations.



Auditing Office

1. With an independent and objective spirit, the Auditing Office executes audit tasks, assisting the Board of Directors and senior management in reviewing and evaluating the effectiveness of the risk management and internal control systems, including assessing the effectiveness of risk monitoring by the first and second lines of defense.
2. Timely improvement recommendations are provided to reasonably ensure the continued effective implementation of the internal control system and to serve as a basis for reviewing and revising the internal control system.

## Risk Management Effectiveness and Goals

According to Eximbank's standard operating procedures, the corporate risk limit guidelines must be reviewed annually to assess the appropriateness of their content and risk limits. If revisions are needed, they should be submitted to the Board of Directors for review. On April 21, 2023, Eximbank revised the guidelines for setting country risk limits. Additionally, the Department of Risk Management participates in monthly risk management briefing meetings chaired by the Chairman, reporting on changes in the total credit balance and unsecured credit balance of the top ten groups to understand the changes in group enterprise risks.

In 2023, the "Country Risk Assessment and Management Standard Operating Procedures" were revised, achieving significant results in managing corporate risk, country risk, and financial risk. This effectively controlled credit risk, avoided excessive risk concentration, and ensured compliance with the limits stipulated by The Banking Act of The Republic of China. The risk management goals continue to focus on completing credit reports requested by business units and improving the mechanisms for managing country risk, corporate risk, and financial risk to achieve timely and comprehensive corporate risk control.

### 1.3.2 Internal Control and Audit System

Eximbank has established the "Implementation Guidelines for the Three Lines of Defense in Bank Internal Control", which have been reviewed and approved by the Board of Directors. These guidelines serve as the basis for the implementation of the internal control system across the bank. In accordance with the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries", Eximbank has established a Chief Auditor system and set up an Auditing Office under the Board of Directors. The internal audit system is managed by the Auditing Office, which operates independently to conduct audit activities, verify, and evaluate the effectiveness of the internal control system, and provide timely improvement recommendations. This ensures the continuous and effective implementation of the internal control system, assisting the Board of Directors and management in fulfilling their responsibilities.

The Auditing Office formulates an audit plan based on the "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries". It conducts general and special audits annually for domestic business, finance, asset custody, and information management units, and special audits annually for other management units. Additionally, it conducts general audits annually for overseas offices.





## Internal Audit Situation

Items	Frequency	Results	Follow-up and Improvement	2024 Audit Goals
General Business Inspections	13	61 inspection opinions	Improvements completed	Strengthen audits for units with more frequent, repeated, or serious deficiencies. Additionally, enhance audit mechanisms for information security, and raise colleagues' awareness of cybersecurity.
Special Business Inspections	16	76 inspection opinions	Improvements completed	
Internal Control, Personal Data, Anti-Money Laundering, LIBOR Implementation, Write-off of Bad Debts, etc. Special Inspections	5	76 inspection opinions	Improvements completed	

Internal Audit also inspects the implementation of ESG-related policies and key points, with the main inspection items as follows:

<b>ESG Audit Items</b>	Financial and business aspects, environmental protection, corporate integrity, corporate governance, and social responsibility of borrowers.
<b>Item Descriptions</b>	<ol style="list-style-type: none"> <li>1. Eximbank's "Credit Rating Guidelines for Corporate Loans" includes items to access customer's ESG performance.</li> <li>2. Eximbank's "Credit Policy" and "Credit Risk Assessment Guidelines" specify that corporate credit reviews should consider whether the borrower adheres to ESG principles such as environmental protection, corporate integrity, social responsibility, and corporate governance.</li> <li>3. Eximbank's "Corporate Loan Pricing Considerations" includes principles for incorporating ESG considerations: interest rate reductions based on annual evaluation results from third-party certification bodies regarding environmental, social, and corporate governance aspects.</li> <li>4. Eximbank's "Standards for Charging Fees for Guarantee Business" includes fee reductions for borrowers adhering to ESG principles and receiving awards, with reductions ranging from 0 to 50 basis points.</li> </ol>
<b>Audit Method</b>	Checking whether credit cases comply with Eximbank's ESG-related regulations.

## Implementation of Internal Control Meetings and Activities

In 2023, Eximbank held one internal control deficiency review meeting, one horizontal communication seminar, and a total of 34 internal and external audits and external auditor inspections. These activities aimed to ensure the implementation and continuous improvement of the internal control system.

### Internal Control Deficiency Review Meeting

<b>Activity Goal</b>	Assist the Board of Directors and management in auditing and evaluating the effectiveness of the internal control system, providing timely improvement suggestions to ensure the continuous implementation and review of the internal control system.
<b>Description</b>	The "Internal Control Deficiency Review Seminar" is held annually by the Chairman of the Board, with all directors and supervisors attending. The meeting addresses internal control and anti-money laundering and counter-terrorism issues at Eximbank. The Chief Auditor, Chief Compliance Officer, and relevant staff from the Auditing Office and Compliance and Legal Affairs Office attend and report. The audit and compliance units fully communicate and exchange opinions, and meeting minutes are submitted to the Board of Directors for reference.





## ► Internal Control Deficiency Review Meeting

<b>Effectiveness</b>	For credit cases involving natural persons as joint guarantors, credit units must implement relevant operational regulations, assess and confirm the creditworthiness and debt capacity of joint guarantors, and the Auditing Office should strengthen the audit of related operations.
<b>Execution Frequency</b>	1
<b>Number of Participants</b>	19

## ► Horizontal Communication Seminar

<b>Activity Goal</b>	Ensure thorough discussion and communication between the second and third lines of defense supervisors and staff.
<b>Description</b>	The Auditing Office, Compliance and Legal Affairs Office, and the Department of Risk Management jointly hold horizontal communication seminars. The seminars promote common compliance and anti-money laundering deficiencies and case studies at Eximbank, present the bank's risk management practices, major deficiencies in business inspections, and compliance practices, helping participants understand Eximbank's anti-money laundering and counter-terrorism compliance system and key points, and discuss common deficiencies and areas for improvement.
<b>Effectiveness</b>	The Auditing Office will consider incorporating the Compliance Office's suggestions into future audit adjustments and strengthen the review of each unit's improvement implementation. Participants can also provide high-risk issues to the Auditing Office for enhanced audits. The second and third lines of defense should continue to monitor the Financial Supervisory Commission's 2023 financial inspection focus to assist business units in complying with relevant regulations.
<b>Execution Frequency</b>	1
<b>Number of Participants</b>	9

## ► Internal and External Audits and External Auditor Inspections

<b>Activity Goal</b>	According to the "Practical Guidelines for the Three Lines of Defense in Bank Internal Control" and relevant anti-money laundering and counter-terrorism laws and guidelines, internal audits are conducted by the Auditing Office and anti-money laundering and counter-terrorism audits are conducted by external auditors. These audits aim to verify and evaluate the effectiveness of the internal control system, providing timely improvement suggestions to ensure continuous and effective implementation, assisting the Board of Directors and management in fulfilling their responsibilities.
<b>Description</b>	Eximbank commissioned external auditors to conduct the 2023 AML/CFT special audit, which resulted in an assurance report approved by the Board of Directors and submitted to the Financial Supervisory Commission for reference. Internal audits for business units are conducted at least semi-annually, and AML/CFT special audits are conducted at least annually, in compliance with Eximbank's internal regulations.
<b>Effectiveness</b>	A total of 154 opinions were raised during business inspections of audited units, with no major deficiencies. The Auditing Office continuously follows up on the improvement of business inspections at each unit.
<b>Execution Frequency</b>	34
<b>Number of Participants</b>	5



## Audit Personnel Certification

To enhance the professional capabilities of the Auditing Office staff, in 2023, Eximbank's Auditing Office staff participated in audit training courses and lead auditor training courses organized by Taiwan Academy of Banking and Finance. The certification rate for the audit training course was 100%, and nearly 80% obtained lead auditor training course certification. In addition to training courses, irregular educational training courses are also held, including courses organized by Taiwan Academy of Banking and Finance, online self-audit training, and new employee audit training.

Certification Items	Number of Certified Personnel	Number of Auditing Office staff
Audit Training Course	6	6
Lead Auditor Training Course	5	6

## Audit Education and Training

Audit Education and Training Items	Number of Participants	Hours of Participation
Courses Organized by the Financial Training Institute	6	Totaling 246.7 hours
Online Self-Audit Training Organized by the Auditing Office	243	1 hour per person, totaling 243 hours
New Employee Audit Training	19	1 hour per person, totaling 19 hours

# 1.4 Business Continuity Management

## 1.4.1 Business Continuity Management Risks and Implementation Guidelines

With the increasing global risks, Eximbank recognizes that pursuing sustainable business operations is to providing services constantly to customers and stakeholders. The highest goal of business continuity management is to provide customers with comprehensive, professional, and diversified financial services.

Eximbank establishes, implements, supervises, and maintains a business continuity management system, continuously improving its effectiveness to ensure that operations can continue during emergencies or disasters, achieving the goal of uninterrupted operations.

Eximbank understands the impact of disasters and human accidents on operations and adopts proactive preventive management to address disaster risks. Through risk engineering controls and safety regulations, management goals are set for natural and human-made disasters to protect personnel, systems, and resources. For different disasters, such as power outages, water shortages, and typhoons, Eximbank is equipped with UPS and generators and has detailed emergency response plans to ensure continuous operations and recovery.



## Disaster Risk Items



### Fire Safety

#### Management Goal

Ensure the protection of personnel and property during a fire, allowing employees to evacuate safely.

#### Implementation Guidelines

- Eximbank conducts regular fire safety drills, provides appropriate fire training and awareness to educate personnel about fire hazards and response measures. Effective evacuation plans and emergency evacuation procedures are established to ensure personnel can quickly and orderly leave from dangerous areas.
- Eximbank installs and regularly inspects and maintains fire safety equipment to ensure the safety and compliance of facilities, reducing fire damage to buildings and equipment. Installed equipment includes fire alarm systems, fire extinguishers, and automatic sprinkler systems.
- For detailed information, see section 4.5.1 Occupational Safety Training.



### Earthquake Protection

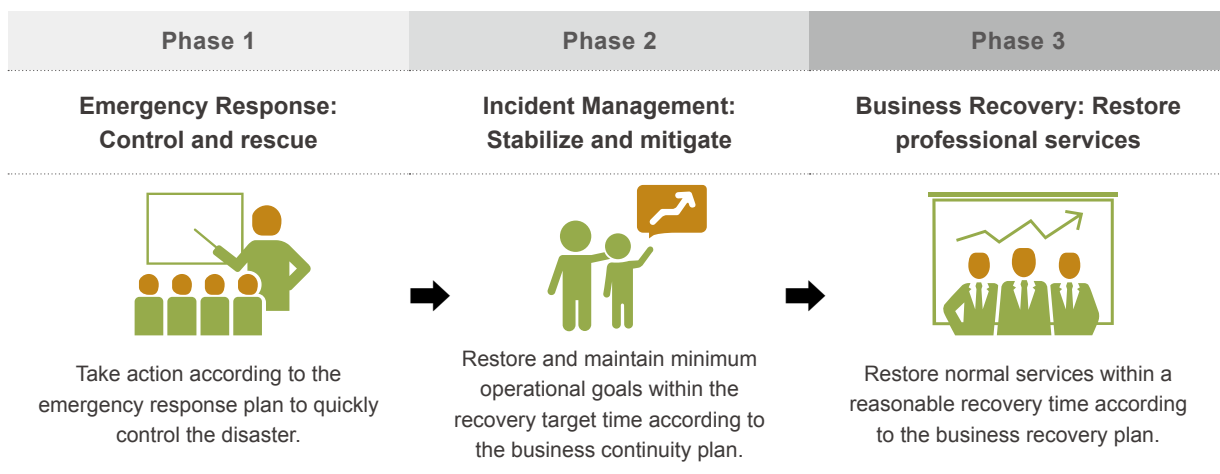
#### Management Goal

Ensure the safety of personnel during an earthquake, minimizing casualties and property damage.

#### Implementation Guidelines

- Eximbank conducts regular earthquake drills according to government disaster prevention regulations, instructing employees to seek cover and evacuate calmly, and establishes emergency evacuation plans to ensure proper evacuation routes and assembly points, allowing personnel to quickly and safely leave dangerous areas.
- One of the goals of earthquake protection is to ensure that the organization's facilities can withstand seismic forces and minimize damage. Eximbank conducts regular inspections and maintenance to ensure the safety and stability of buildings and equipment.
- For detailed information, see section 4.5.1 Occupational Safety Training.

## Emergency Response Plan Steps



For information security protection, Eximbank introduced a business continuity management system in 2023 and passed the latest ISO 22301:2019 international standard certification in March 2024.





### Information security protection

## Management Goal

Provide uninterrupted services to customers, reduce the likelihood and impact of operational disruptions, prevent customer rights from being compromised due to information system anomalies, and enhance operational levels.

## Implementation Guidelines

- Eximbank implements security policies, procedures, and control measures in information security, including identity authentication and access control, firewalls and intrusion detection systems, encryption technology, and phishing prevention.
- Eximbank established the “Information Security Incident Reporting and Response Team”. In the event of an information security incident, the team promptly executes reporting and response, quickly completes damage control, and reduces the impact of information security incidents on business operations. The Chief Information Security Officer serves as the commander of major information security incidents, overseeing the reporting and response of information security incidents and supervising the execution of various operations.
- In the event of an information security incident, the information security reporting mechanism is activated according to the “Information Security Incident Response and Reporting Management Guidelines”.
- For detailed information, see section 2.3 Customer Privacy and Information Security.
- Establish a business continuity management mechanism, regularly conduct risk assessments and business impact analyses, formulate related plans for business continuity management, and regularly conduct drills.

For detailed information on information security management, please refer to section 2.3 Customer Privacy and Information Security.

## 1.4.2 COVID-19 Pandemic Management

In response to the impact of the COVID-19 pandemic, which may lead to employees being quarantined due to infectious diseases, causing operational disruptions, Eximbank established a dedicated pandemic response team. Each unit formulated work-from-home SOPs to ensure employees can continue to operate normally while working from home, and rented off-site offices to ensure continuous operations during the pandemic.

Risk Items	Risk Description	Impact	Responsible Response Unit	Business Continuity Mechanism
<b>COVID-19 Pandemic</b>	Risk of employees being quarantined or infected due to the crisis of infectious or contagious diseases.	Operational disruptions caused by employee quarantine.	Pandemic Response Team.	<ul style="list-style-type: none"> <li>• Each unit formulates work-from-home SOPs.</li> <li>• Rent off-site offices.</li> </ul>

Eximbank’s pandemic response team, led by the General Manager, formulated a business continuity management plan. The plan includes work-from-home procedures, off-site and home office plans, and references the “Guidelines for Business Continuity in Response to the COVID-19 Pandemic” revised by the Central Epidemic Command Center for Severe Pneumonia with Novel Pathogens. The “COVID-19 Confirmed Case Prevention Measures Operating Procedures” were formulated, and these procedures ceased to apply when the Command Center was disbanded on May 1, 2023.



Aspects	Management Mechanism	Management Measures
Prevention and Preparation	Procurement of Pandemic Supplies	Procure supplies to respond to the pandemic, and allocate them according to the number of employees and actual usage. Supplies include masks, alcohol, goggles, face shields, protective clothing, partitions, temperature stations, rapid test kits, and etc.
	Information Security Operations and Maintenance	<ul style="list-style-type: none"> <li>In response to the pandemic, procure laptops and provide employees with wireless network cards.</li> <li>Implement two-factor authentication to enhance information security protection.</li> </ul>
	Environmental Disinfection and Control	Plan elevator flow management in the headquarters building, dividing high and low floors for control, and regularly disinfect the environment.
During the Pandemic Management Mechanism	Work-from-Home and Off-Site Work Measures	To promptly respond to changes in the COVID-19 pandemic while maintain normal bank operations, Eximbank issued the "Flexible Work Implementation Guidelines" and "Guidelines for Planning Work-from-Home Personnel in Each Unit." Depending on the pandemic situation, flexible work, off-site work, and work-from-home measures are implemented. Each unit arranges personnel and provides a list, which is compiled and reported by the HR department.
	Employee Self-Health Management Plan	To ensure employee's health and safety, as well as reducing cross-infection, Eximbank issued the "Employee Guidelines During the Pandemic", providing rapid test kits for employees to use.
Subsequent Employee Care	Care Reporting	If employees have symptoms such as fever, they must report to their unit supervisors. The unit supervisors confirm the situation and report to the HR department for compilation.

In terms of business operations, in addition to formulating business continuity plans and work-from-home SOPs, the pandemic also affected customer development due to reduced opportunities for in-person visits. Therefore, Eximbank held its first online seminar in 2021. Additionally, to address the inability to conduct in-person verification during the pandemic, Eximbank formulated video verification procedures to ensure uninterrupted business operations.

### Impact

- Internal operations adopt staggered shifts, work-from-home, and off-site work modes, increasing the time required for business communication and processing.
- Reduced opportunities for in-person customer visits, making new customer development difficult.
- Difficulty in face-to-face verification operations.



### Response Measures and Mechanisms

- Formulate the "COVID-19 Pandemic Business Continuity Plan" and "Work-from-Home SOP" to ensure uninterrupted operations.
- Conduct online seminars to promote business.
- Formulate SOPs for customer disbursement and contract verification, such as video verification SOPs.

## CH-2

# Outstanding Services

Taiwan's economy is highly dependent on international trade. In order to assist domestic enterprises in expanding their export markets and promoting international economic cooperation, Eximbank provides a wide range of services under the supervision of the Ministry of Finance including specialized medium- and long-term export/import credits, guarantees, and export credit insurance.

Envision of Eximbank is to strengthen trade finance and support foreign trade. Its primary goal is to align with the government's economic and trade policies to promote industrial upgrading and economic development. This includes enabling domestic business owners to access specialized financial services, helping manufacturers expand their export markets, and sharing trade risks for Taiwanese enterprises. At the same time, Eximbank actively participates in international financial activities to enhance international economic cooperation and increase global recognition.

With the global economy stabilizing in recent years, the volume of import and export trade is also recovering. In 2023, Eximbank continues to strengthen financial support for small and medium-sized enterprises (SMEs) and actively aligns with the government's New Southbound Policy. By providing ample financial supports to Taiwanese businesses, Eximbank aims to enhance the competitiveness of Taiwan's import and export goods.



## Highlights 1 Performances

In 2023, the financing budget target achievement rate was 120.29%, the guarantee budget target achievement rate was 131.08%, the export credit insurance budget target achievement rate was 112.71%, all beyond the goal we've set for the year.

## Highlights 2 Government Policies

In 2023, the approved loan amount under the New Southbound Policy has reached NT\$30.603 billion, representing a 12.00% growth compared to the previous year, with a target achievement rate of 120.76%. The approved guarantee amount was NT\$3.825 billion, a 1.39% increase from 2022, achieving a target rate of 105.28%. The amount of export credit insurance underwriting reached NT\$33.064 billion, achieving a target rate of 118.60%.

## Highlights 3 Client Privacy

There was no data breaches reported, and the bank didn't receive any complaints regarding customer privacy violations or loss of customer data in 2023.

## Highlights 4 Client Satisfaction

The overall satisfaction rate for credit and guarantee services was 100%, rated as "satisfactory or above". In addition, the overall satisfaction rate for export credit insurance services reached 99.91%, rated as "satisfactory or above".

## Highlights 5 Client Service

In response to the Bilingual 2030 policy, Eximbank installed foreign language service signs. All business locations now offer bilingual services.





## 2.1 Professional Services

Eximbank aims to enhance the competitiveness of Taiwanese enterprises abroad and contribute to the expansion of international trade markets. Through services such as financing (including relending facility), guarantees, and export credit insurance, Eximbank collaborates with the government and businesses to make Taiwan a shining star on the international trade stage. By aligning with government policies and utilizing government funds to support domestic enterprises, Eximbank helps them navigate international markets and successfully promote Taiwan's high-quality products and services worldwide.

In this section, we will elaborate on four key aspects: **Specialized Service: Amplifying Social Benefits, Operational Performance: Revitalizing the Economy; Collaborating with the Government: Implementing Policies, and Collaborating with External Organizations to Expand Business.**

### 2.1.1 Specialized Services: Amplifying Social Benefits

The diverse and professional financial services offered by the Eximbank serve as the best weapons and defenses for Taiwanese enterprises to expand their territories in the international market. By utilizing services such as loans, guarantees, and export credit insurance, businesses can efficiently extend their reach overseas. In addition, it is hoped that through these professional products and services, Taiwanese enterprises can gain stronger competitiveness in international trade, contributing to export trade and overall economic development. By aligning with government policies and leveraging these products to create social benefits, we aim to build a thriving economy in Taiwan, enhancing product performance and linking social benefits, in collaboration with the government, business owners, and employees.

#### Export Credit-Financing

Offering credit schemes with different terms helps Taiwanese manufacturers export complete plants, production lines machinery, and other capital goods or government-encouraged export products through installment payments. The service reduces the financial pressure on Taiwanese manufacturers, enhances their competitiveness in the international market, and promotes the development of related industries.

#### Export Credit-Relending Facility

Relending Facility services involve granting credit lines to domestic and foreign financial institutions, which then relend these funds to their clients for purchasing products from Taiwanese manufacturers. The service assists foreign buyers with installment payment plans, increasing their willingness to purchase Taiwanese products thus enhancing the competitiveness of these products in the international market.

#### Medium and Long-Term Import Credit

Assisting manufacturers in paying for imported machinery, raw materials, or foreign technology, with the option to repay in installments in the future.

#### Overseas Investment Loan

Assisting manufacturers in establishing overseas production and marketing bases, as well as in developing and securing essential resources, to enhance economic cooperation between Taiwan and the international community.

#### Overseas Investment Loan



#### Domestic Major Public Construction and Infrastructure Projects Loan

#### Domestic Major Public Construction and Infrastructure Projects Loan

Eximbank takes several actions to promote local prosperity, enhance international trade, and increase Taiwan's competitiveness. This includes promoting major public construction and infrastructure projects by providing the credit; supporting the development of construction projects related to environmental protection policies; improving the investment environment and pursuing sustainable development.



#### International Syndicated Loan



#### International Syndicated Loan

Eximbank enhances its international reputation and strengthens interactions with peers by participating in international syndicated loans. It also increases opportunities for other business collaborations. Recently, Eximbank has been focusing on evaluating the business interactions with borrowers in international syndicated loans, which may contribute to the development of import and export trade and economic and trade growth, thereby fulfilling Eximbank's policy functions.



## Risk Management System for Credit Services

Eximbank conducts rigorous risk control in its financing operations from pre-loan evaluation to post-loan monitoring. The mechanisms implemented to reduce the risk of bad debts are described in the following:

- **Pre-assessment:** In accordance with the Personal Data Protection Act, Eximbank collects various application materials from credit customers. Risk assessment personnel conduct on-site inspections and consider other relevant information, such as annual reports, money laundering risk assessment results, and data from public information observatories. Based on these comprehensive evaluations, appropriate credit limits are approved at each authorization level.
- **Post-loan tracking:** Regular post-loan tracking and analysis are conducted for credit customers, with "Post-Loan Tracking Analysis Reports" being prepared. In addition, to effectively monitor the current operations of credit customers, account managers frequently maintain contact with them. If any abnormalities are detected, the account manager will visit the customer's company to investigate and ensure the protection of Eximbank's claim
- **Audit mechanism:** Implementing audit mechanisms including internal and external audits to enhance the quality of credit operations.

## Risk Management System for Relending

In order to manage credit risk and interest rate risk of relending, the following mechanisms are implemented:

- **Credit Risk: Pre-loan evaluation and post-loan tracking**  
Pre-loan Evaluation: Assess the customer's operational and financial status based on their financial reports, annual reports, and money laundering risk assessment results from the past three years, and approve appropriate credit limits.  
During the Loan Period: Thoroughly review transaction documents at the time of loan disbursement to ensure actual transactions and implement risk control; regularly conduct post-loan tracking to monitor the customer's operations; upon loan maturity, handle renewals, requiring the customer to submit the latest financial reports and annual reports for re-evaluation.
- **Interest Rate Risk: Controlling interest rate fluctuation risk by adopting floating interest rates**  
Interest rate pricing is determined based on the financial institution's credit rating, business interactions, and contribution, setting reasonable markups and calculating interest using floating rates. This approach aligns with market conditions to control the risk of interest rate fluctuations.
- **Operational Risk: Establish SOPs to strengthen risk control**  
Establish standard operating procedures for compliance and conduct regular self-audits. If deficiencies are found, review and improve them.

## Results of Relending in 2023

### Assist domestic manufacturers in expanding into overseas markets

Regularly update the list of relending banks and publish it on the official website for easy access by domestic exporters. Taiwanese manufacturers can use this list to check if their customers have dealings with the listed banks and inform their customers about the relending facility information, thereby increasing the willingness of foreign importers to purchase Taiwanese products.

### Establishing more domestic and international relending banks to strengthen business connections and tracking

As of the end of December 2023, the total number of relending banks reached 61, including two new banks added in 2023: Banco Industrial S.A. in Guatemala and TMB Thanachart Bank Public Company Limited in Thailand.



## Guarantee Services

Service Type	Social Benefits
Export and overseas construction projects	Enhance the competitiveness of our domestic manufacturers abroad, secure export orders, and seize opportunities to undertake overseas projects, thereby driving the development of related industries.
Domestic major public construction and infrastructure projects	Promote the development of major domestic infrastructure projects. While advancing construction development, it also ensures that citizens can enjoy better infrastructure in the future. In addition, it assists manufacturers in successfully participating in domestic public works and construction projects.
Shipbuilding	Provide ship and vessel manufacturers with peace of mind during their operations and transactions, while also supporting their development. This assistance contributes to Taiwan's goal of becoming a major maritime nation.

## Export Credit Insurance

### ● Product Type



### ● Contents

Provide compensation to our export manufacturers for losses incurred due to political risks in the buyer's country or region, or credit risks of the buyer, resulting in uncollectible receivables. If the conditions of the insurance contract are met, the manufacturers will be compensated.

### ● Social Benefits

Utilize export credit insurance to provide Taiwanese enterprises with a solid backing, enabling them to mitigate political and credit risks and other uncertainties while operating in foreign markets. This support allows manufacturers to successfully operate even in high-risk markets.

### ● Risk Management System of the Account Insurance

To manage losses caused by political risks in the buyer's country or region, or credit risks of the buyer, we sign reinsurance contracts with reinsurance companies to diversify operational risks and reduce the occurrence of loss rates. The contract include the following:

1. Pre-Approval Review: Depending on the needs of the buyer's country or region, maintain close cooperation with over 20 global credit agencies to obtain more comprehensive and up-to-date buyer credit information assessments. This reduces risks caused by insufficient underwriting information or financial opacity. In addition, to strengthen risk control, cross-referencing is used to flexibly adjust and implement appropriate risk control measures for high-risk areas, larger buyers, and in response to changes in political and economic conditions.
2. Post-Approval Supervision: Regularly track buyers with large credit limits and use international credit risk management systems (including Coface and Moody's KMV-EDF) for dynamic management.
3. Audit Mechanism: Implement audit mechanisms, including internal audits (self-audits by each unit and general and special audits by the auditing Office) and external special inspections (audits by regulatory authorities).



## ● Product Type

5

**Medium and Long-Term Export Credit Insurance**

## ● Contents

If export manufacturers ship entire plant equipment, machinery products, or other capital goods, or provide technology and labor on an installment payment basis for a period of one year or more, and subsequently suffer losses due to the buyer's credit risk or political risks in the export destination, resulting in the inability to recover the payment for goods or services, they will be compensated if the conditions of the insurance contract are met.

## ● Social Benefits

Helps Taiwanese manufacturers adapt to changes in the global trade environment. While engaging in foreign trade and exporting equipment, machinery, or other capital goods and technology, they can effectively mitigate credit and political risks, ensuring that their finances are not exposed to these risks. In addition, this service allows for flexible internal financial management and allocation, with accounts receivable managed by professional banks, providing greater security and assurance for business operations.

## ● Risk Management System of the Account Insurance

To manage losses caused by political risks in the buyer's country or region, or credit risks of the buyer, we sign reinsurance contracts with reinsurance companies to diversify operational risks and reduce the occurrence of loss rates. The contract includes the following:

1. Pre-Approval Review: Depending on the needs of the buyer's country or region, maintain close cooperation with over 20 global credit agencies to obtain more comprehensive and up-to-date buyer credit information assessments. This reduces risks caused by insufficient underwriting information or financial opacity. In addition, to strengthen risk control, cross-referencing is used to flexibly adjust and implement appropriate risk control measures for high-risk areas, larger buyers, and in response to changes in political and economic conditions.
2. Post-Approval Supervision: Regularly track buyers with large credit limits and use international credit risk management systems (including Coface and Moody's KMV-EDF) for dynamic management.
3. Audit Mechanism: Implement audit mechanisms, including internal audits (self-audits by each unit and general and special audits by the auditing Office) and external special inspections (audits by regulatory authorities).

## ● Product Type

6

**Overseas Investment Insurance**

7

**Overseas Construction Credit Insurance**

## ● Contents

Provide compensation to manufacturers for losses incurred due to political risks in the invested country when engaging in overseas investments. If the conditions of the insurance contract are met, the manufacturers will be compensated.

The insurance can cover losses incurred by Taiwanese manufacturers undertaking overseas projects due to political risks in the host country or bankruptcy of the contractual counterpart, which may result in the inability to recover payments and related expenses or damage to equipment.

## ● Social Benefits

The overseas insurances assist Taiwanese manufacturers in mitigating political risks while investing or undertaking projects abroad. These risks include expropriation, war, and remittance risks. By providing this coverage, Taiwanese manufacturers can operate overseas with greater peace of mind, thereby enhancing their technical and financial strength.

## ● Risk Management System of Oversea Insurance

To manage the risks associated with overseas investments, such as losses due to war, expropriation, or remittance prohibitions in the host country, which may result in the inability to recover invested shares, dividends, or profits, and to address potential losses from overseas projects caused by political risks or the bankruptcy of contractual counterparts, Eximbank implements stringent risk control measures for export credit insurance. These measures include:

- Collect country analysis reports, economic and trade data, and intelligence reports on the host country from foreign credit rating agencies and other relevant institutions to stay updated on the latest developments in the host country.





## ● Product Type



### Letter of Credit Insurance

## ● Contents

Manufacturers present documents that comply with the letter of credit requirements and deliver goods and negotiate bills within the specified period. If they request payment from the issuing bank within the agreed insurance liability period but do not receive payment due to credit or political risks, they will be compensated if the insurance contract terms are met.

## ● Social Benefits

Helps Taiwanese manufacturers adapt to changes in the global trade environment. It allows them to smoothly avoid credit and political risks while engaging in foreign trade and exporting equipment, machinery, or other capital goods and technology, ensuring that the manufacturers' finances are not exposed to risks.

## ● Risk Management System of Letter of Credit Insurance

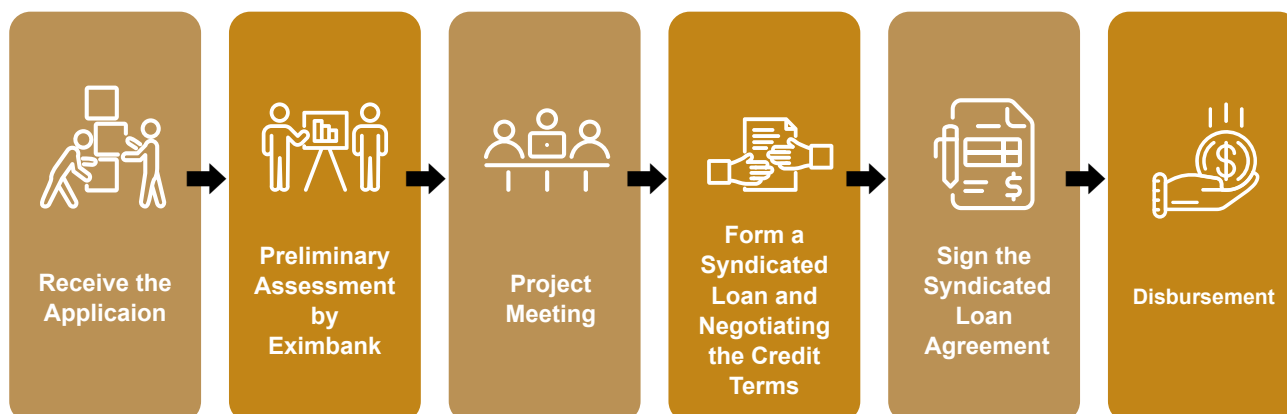
To manage losses resulting from political risks in the country or region of the issuing bank or credit risks of the issuing bank itself, which may lead to non-payment by the issuing bank, Eximbank implements stringent risk control measures for export credit insurance. The following mechanisms are adopted to reduce the loss rate:

**Risk Limits:** Setting risk limits for banks in various countries based on their risk levels and determining the issuing bank's quota according to the manufacturer's required amount.

**Enhanced Risk Control:** Conducting cross-checks and flexibly adjusting and implementing appropriate risk control measures in response to changes in the political and economic situation, especially for high-risk areas.

## Syndicated Loan Platform Service

### Flow Chart of the Engineering Industry Export Syndicated Loan Platform





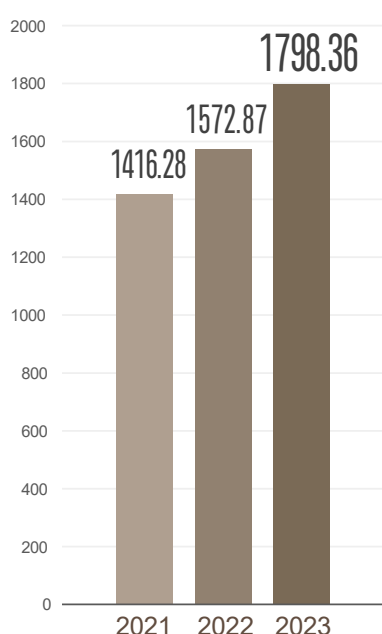
## 2.1.2 Operational Performance in 2023: Revitalizing the Economy

Eximbank has demonstrated outstanding performance across various business areas, showcasing how many domestic enterprises utilize its financial products to support international trade and overseas investments, thereby affirming the bank's services. In 2023, there was a great emphasis on financial support for small and medium-sized enterprises (SMEs), stabilizing funding, and revitalizing the market. In addition, Eximbank actively aligned with government economic and trade policies and the New Southbound Policy, assisting businesses in entering southbound markets and enhancing their competitiveness. It shows significant growth in performance this year. Eximbank will continue promoting financial products and services to support business growth and enhance Taiwan's economic and social benefits.

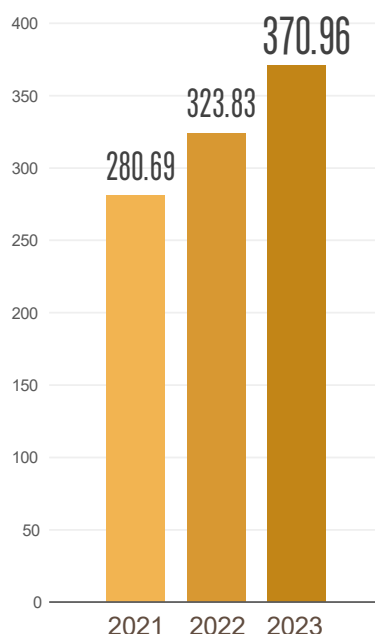
To deepen economic and trade cooperation between Taiwan and Central and Eastern European countries, Eximbank also provided loan assistance for substantial cooperation projects based on the Central and Eastern Europe Credit Fund approved by the Executive Yuan. Below are the performance results and budget target achievements of Eximbank in 2023.

### Budget Achievement in 2023

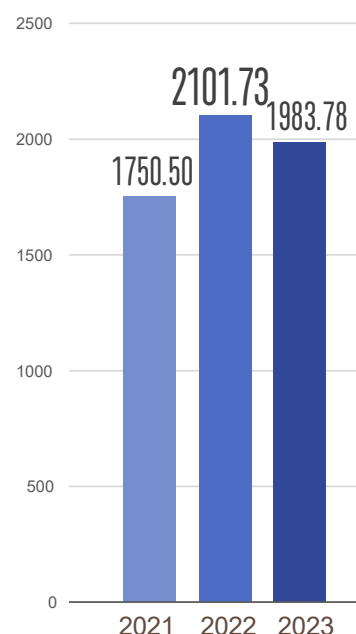
Credit Services	Guarantees Services	Export Credit Insurance
Loan Budget Target (Average Balance)	Guarantee Budget Target (Underwritten Amount)	Export Credit Insurance Budget Target (Insured Amount)
Amount: NT\$ <b>179.84</b> billion	Amount: NT\$ <b>37.10</b> billion	Amount: NT\$ <b>198.38</b> billion
Achievement rate: <b>120.29%</b>	Achievement rate: <b>131.08%</b>	Achievement rate: <b>112.71%</b>



Average balance of  
loan business  
(NT\$ 100m)



Guarantee business  
commitment amount  
(NT\$ 100m)



Output insurance  
insurance amount  
(NT\$ 100m)



### 2.1.3 Collaborating with the Government: Implementing Policies

Eximbank actively responds to government policies by handling policy-based export credit and relending facility operations, helping Taiwanese enterprises explore emerging markets. They promote initiatives such as the "New Southbound Policy", the "Six Core Strategic Industries", and the "SME Loan Program". In addition, they leverage government funds to provide competitive credit terms for businesses, thereby facilitating international trade.

In 2022, the National Development Council established a \$1 billion Central and Eastern Europe Credit Fund, entrusting Eximbank with its execution. This initiative aims to promote economic and trade cooperation between Taiwan and Central and Eastern European countries. In addition, under the "Forward-looking Infrastructure Development Program", Eximbank provides credit services for major public works projects, including metro systems, water environments, urban and rural development, and rail projects, thereby increasing the loan or guarantee limits for these undertakings.

In summary, Eximbank significantly aligned with government policies in 2023, expanding into Central and Eastern European markets, enhancing Taiwan's international competitiveness, and demonstrating outstanding operational performance.

**National Credit Guarantee Administration  
Promotes Green Energy Construction**



To facilitate the smooth advancement of green energy construction and major public infrastructure financing, and to strengthen the protection of project financing cases within the domestic financial industry, the Executive Yuan has approved the National Financing Guarantee Mechanism Promotion Plan. The plan involves funding from the National Development Fund in conjunction with banks, aiming to provide financing guarantees up to ten times the total investment amount. The National Development Council has appointed Eximbank as the executing agency for the National Financing Guarantee Mechanism, allowing participating financial institutions to utilize this mechanism.

The establishment of the National Credit Guarantee Administration aims to increase the willingness of financial institutions to support domestic major economic construction financing projects, such as offshore wind power and fishery-electricity symbiosis, ensuring the timely completion of Taiwan's energy transition policies and the implementation of various major public constructions. In addition, it aims to cultivate professional financial talents in large-scale construction project financing and guarantees, enhancing the service capacity and competitiveness of Taiwan's financial industry. In the long term, the establishment of National Credit Guarantee Administration will work with corporations to expand into international markets, positioning Taiwan as a leading exporter in the green energy and engineering sectors.



## Highlights of 2023

Case	Type
Green Energy Construction Developer	Credit Guarantee
Green Energy Construction General Contractor (Local)	Credit Guarantee
Equipment Supplier (Local)	Credit Guarantee
Equipment Supplier (Local)	Credit Guarantee
Maritime Service Provider (Local)	Performance Guarantee

## Relief Package

In response to the expiration of the Executive Yuan's Special Act for Prevention, Relief, and Revitalization Measures for Severe Pneumonia with Novel Pathogens on July 1, 2023, Eximbank's Solidarity Self-Relief Program will be implemented until June 30, 2023. However, according to measures by the Bankers Association to alleviate financial burdens, Eximbank will provide a six-month extension for loan principals due by December 31, 2024, for enterprises that wish to continue operations and have been making regular interest payments. As of the end of 2023, Eximbank has processed 687 cases, amounting to NT\$77.49 billion.

## Domestic Banks Strengthen Lending Programs For Small And Medium-Sized Enterprises

In order to strengthen financial support for SMEs, we use the funds from the Small and Medium Enterprises Development Fund of the Small and Medium Enterprises Division of the Ministry of Economic Affairs and the guarantee services of the Small and Medium Enterprises Credit Guarantee Fund to actively finance SMEs to help SMEs win orders, expand export markets, and enhance the competitiveness of enterprises.

Policy	Amount	Average Number of Firms/ Insured cases
Average outstanding balance of SME loans	The average outstanding balance of SME loans was NT\$ <b>9.17</b> billion from January to the end of June 2023, and NT\$ <b>9.48</b> billion from July to the end of December 2023.	<b>127</b> (from Jan. to Jun., 2023) <b>132</b> (from Jul. to Dec., 2023)
SME Insured Amount	NT\$ <b>58.725</b> billion	<b>10,414</b>

The Ministry of Finance sets target values for Eximbank every six months. To promptly reflect the progress of these targets and enhance business promotion, data is presented semi-annually to achieve the goal of an "excellent" rating.





## National Development Fund

Eximbank actively provides export financing for entire plants and machinery, in collaboration with the Executive Yuan's National Development Fund, offering medium-and long-term funding. This support helps manufacturers expand their overseas business through Machinery and Equipment Export Credit and Overseas Investment Credit. These financing programs aim to assist export manufacturers in securing the necessary funds to expand into international markets.

Policy	Approved Amount	Number of Cases Approved
Machinery and Equipment Export (Phase IV) Loan	NT\$ <b>34.76</b> billion	<b>155</b>
Machinery and Equipment Export (Phase V) Loan	NT\$ <b>27.04</b> billion	<b>114</b>
Overseas Investment Financing (Phase XI) Loan	NT\$ <b>14.67</b> billion	<b>42</b>

## Strengthened Export Credit Insurance Preparation Program

Eximbank assists exporters in mitigating export risks, promoting trade, and expanding exports. It also helps export manufacturers manage the risk of uncollectible accounts receivable and conduct debt collection operations.

Policy	Amount of Insurance	Average Number of Firms/ Insured cases
Strengthened Export Credit Insurance in 2023	NT\$ <b>90.109</b> billion	<b>13,983</b>

## The Capacity for Underwriting Export Credit Insurance Has Declined due to the Impact of the global economic Downturn

### Export Credit Insurance

Affected by the Russia-Ukraine war, inflation, and global interest rate hikes, consumer demand began to decline in the second half of 2022. To reduce the existing inventory, foreign buyers mostly opted to decrease or halt their purchases. Consequently, Taiwan's exports have been continuously declining since August 2022. This downward trend extending into 2023, resulting in a 9.8% decrease in annual exports. This clearly indicates a shift from a booming to a bearish global market, which has affected the capacity for underwriting export credit insurance.





## Highlights



### Export Credit Insurance: Case 1

**Client:** POS System

**Type of Export Guarantee:** GlobalSure Credit Insurance

Company A specializes in the manufacturing and sales of point-of-sale (POS) systems and related peripheral products. As a client of GlobalSure Credit Insurance, the company provides high value-added and competitive products by tailoring systems and solutions for different applications. In response to the hardware replacement cycle following economic recovery, the company, who was introduced to Eximbank's Strengthened Export Credit Insurance Preparation Program, submitted several new overseas buyers to Eximbank for credit investigation. Through the Strengthened Export Credit Insurance Preparation Program, the company reduced export credit insurance costs, successfully secured orders, and expanded its overseas market.



### Export Credit Insurance: Case 2

**Client:** Stone plastic composite (SPC) flooring

**Type of Export Guarantee:** GlobalSure Credit Insurance

Company B specializes in the production and sales of sheet-type plastic flooring and has become one of the largest professional stone plastic composite (SPC) flooring manufacturers in Asia since its founding in 1982. The company maintains a competitive edge through its proprietary research and development capabilities and automated production equipment. In addition, it places a strong emphasis on sustainable development, with its products receiving multiple environmental certifications, such as the domestic Green Building Material Label and relevant environmental quality certifications from the United States and the European Union.

As client of Eximbank's GlobalSure Credit Insurance, Company B utilizes the insurance products provided by Eximbank to mitigate the potential risk of bad debts on its receivables. By leveraging the Strengthened Export Credit Insurance Preparation Program, a collaboration between Eximbank and International Trade Administration, Ministry of Economic Affairs, the company has reduced its export credit insurance costs, successfully secured orders, and expanded its overseas market.



### Export Credit Insurance: Case 3

**Client:** Pulp, Paper, And Paper Products Manufacturing Industry

**Type of Export Guarantee:** GlobalSure Credit Insurance

Company C specializes in the manufacturing of pulp, paper, and paper products. As a client of Eximbank's "GlobalSure Credit Insurance", the company focuses on providing market pulp, paper materials, and processed products. With nearly twenty years of experience across various paper applications, its operational goal is to act as a bridge between suppliers, processing plants, and customers, offering innovative, value-added, and profitable solutions.

After being introduced to Eximbank's Strengthened Export Credit Insurance Preparation Program, Company C submitted several new overseas buyers to Eximbank for credit investigation. By leveraging the Strengthened Export Credit Insurance Preparation Program, the company reduced its export credit insurance costs, successfully secured orders, and expanded its overseas market.



## Expanding Global Market

Eximbank achieves its goal of strengthening trade finance and supporting foreign trade by assisting enterprises in expanding international trade and enhancing economic cooperation. The bank collaborates with International Trade Administration, Ministry of Economic Affairs, the Taiwan External Trade Development Council, and local trade associations to promote banking connections. In addition, the bank aligns with the government's New Southbound Policy and Africa Plan to establish footholds in Africa and South Asia. In the future, Eximbank will continue to invite reputable banks from economically stable regions to cooperate in promoting Taiwan's exports.

Eximbank grants credit lines to domestic and foreign financial institutions to enhance the competitiveness of Taiwanese products in the international market. By the end of 2023, Eximbank had collaborated with 23 countries and the United States, 61 financial institutions, with a total authorized amount of \$ 742 million.

Eximbank's relending facility operations focus on emerging market countries, aiming to assist manufacturers in regions where commercial banks provide fewer financial services due to profitability or risk considerations. Despite the higher risks, Eximbank carefully manages these risks to help Taiwanese manufacturers expand into emerging markets.

## The Number of Relending Banks that Eximbank Collaborates with

In 2023, Eximbank established two new relending banks in Thailand and Guatemala and signed a Memorandum of Understanding (MOU) with Indonesia's largest bank, PT Bank Mandiri (Persero) Tbk, to strengthen their cooperation.

By the end of 2023, Eximbank's relending banks were distributed across various countries as follows: United States: 2; Argentina: 1; Brazil: 1; Chile: 1; Dominican Republic: 2; Ecuador: 3; Guatemala: 2; Honduras: 1; Nicaragua: 1; Panama: 1; Paraguay: 4; Bulgaria: 1; Czech Republic: 1; Turkey: 12; Nigeria: 1; Bangladesh: 3; Cambodia: 1; India: 2; Indonesia: 2; Mongolia: 4; Philippines: 1; Taiwan: 7; Thailand: 4; Uzbekistan: 1; Vietnam: 2.

In total, Eximbank had 61 partner banks across 24 countries.

### The number of refinancing banks that Eximbank collaborates with



## Working Project of the New Southbound Policy

Eximbank aligns with the government's New Southbound Policy and collaborates with the National Development Fund, Executive Yuan, Small and Medium Enterprise and Startup Administration, and International Trade Administration. By providing high-quality financial and hedging services, such as various loan, guarantee, and insurance programs, Eximbank expands financial support to fully assist enterprises in exploring markets in ASEAN, South Asia, and Oceania. The total amount for these three services reached NT\$67.492 billion.



Services	Amount Approved	Achievement Ratio
Loans (Excluding Relending Facility)	NT\$ <b>30.603</b> billion	<b>120.76%</b>
Guarantees	NT\$ <b>3.825</b> billion	<b>105.28%</b>
Export Credit Insurance	NT\$ <b>33.064</b> billion	<b>118.60%</b>

## 2.1.4 Collaborating with External Organizations to Expand Business

To help Taiwanese enterprises better understand Eximbank's specialized products and services, Eximbank actively collaborates with the government and private companies to organize external seminars and discussion forums. These activities aim to expand and develop new clients, while also enhancing the competitiveness of businesses in international trade.

### External Organizations and Trade Associations

In addition to collaborating with organizations such as the Taiwan External Trade Development Council, International Trade Administration, Ministry of Economic Affairs, and the Taiwan Association of Machinery Industry to organize seminars and discussion forums, Eximbank also visits service centers or management bureaus of various trade associations, industrial parks, and science parks. They proactively reach out to potential clients through phone calls or in-person visits, often identified through media such as newspapers and magazines.

Moving forward, Eximbank will continue to work with government departments, various associations, industry guilds, and private enterprises to host discussion forums and seminars. These joint business promotion activities aim to enhance Taiwan's export trade. Below is the list of external organizations Eximbank collaborated with in 2023:

Name of External Organizations	Status	Name of External Organizations	Status
<b>International Organization</b>		<b>Craft Organization</b>	
ROC–USA Business Council	Member	Taiwan-Turkey Business Association (TTBA)	Member
East Asia Economic Association	Member	Taiwan India Business Association	Member
International Union of Credit and Investment Insurers (Berne Union)	Member	Chinese International Economic Cooperation Association (CIECA), Taiwan	Member
SWIFT	Member	The Bankers Association of The Republic of China	Member
<b>Academic Organization</b>		Association of Taiwan Listed Companies	Member
Accounting Research and Development Foundation	Member	Taiwan Machine Tool & Accessory Builders' Association (TMBA)	Member
<b>Craft Organization</b>		Taiwan Africa Industry Development Association (TAIDA)	Member
The Sino-Indonesia Cultural And Economic Association	Member	Taiwan-Africa Business Association	Member
Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	Member	Financial Information Sharing and Analysis Center (F-ISAC)	Member
Middle East Business Association	Member	Financial Information Service Co., LTD.	Member
Latin American Business Council	Member	Taiwan Association of Machinery Industry	Member
The Institute of Internal Auditors-Chinese Taiwan	Member		





## Seminars and External Engagements

To assist Taiwanese enterprises in expanding exports and enhancing international cooperation, Eximbank actively engages with international peers to discuss insurance technologies and market information. They organize business exchange meetings and collaborate with various trade associations to host relevant seminars to strengthen their operations. In 2023, Eximbank hosted or co-hosted 30 business forums and seminars, and co-organized or participated in 38 discussion forums with economic and trade units, promoting Eximbank's services and exchanging a wide range of opinions.

### Heading Toward the Central and Eastern Europe Market

To promote economic and trade cooperation between Taiwan and Central and Eastern European countries, the National Development Council established a \$1 billion Central and Eastern Europe Credit Fund in 2022, executed by Eximbank. By the end of 2023, there were eight approved loan cases, totaling approximately \$27.51 million, involving Lithuania, Hungary, the Czech Republic, Slovenia, and Poland. Future efforts will continue to achieve these policy goals.

In recent years, the relationship between Taiwan and Central and Eastern European countries has grown closer, with complementary advantages in industrial development and technology, leading to more frequent economic and trade exchanges. On June 28, 2023, Eximbank and the National Development Council held a "Central and Eastern Europe Credit Fund Briefing", encouraging Taiwanese manufacturers to utilize the fund through Eximbank's financial services. This initiative aims to promote economic and trade cooperation, deepen Taiwan-Europe economic and trade relations, and establish lasting bilateral mutually beneficial cooperation.



**Partnering with Enterprises to Deepen Engagement in Central and Eastern Europe - Central and Eastern Europe Credit Fund Briefing**

Theme	Number of Participants
Brief Introduction of the Central and Eastern Europe Credit Fund to Taiwan's Diplomatic Missions in Central and Eastern Europe (Online-based)	Online-based
Partnering Together to Advance into Central and Eastern Europe	35
Partnering with Enterprises to Deepen Engagement in Central and Eastern Europe – Brief introduction of the Central and Eastern Europe Credit Fund	50
New Blue Ocean Market - Central and Eastern Europe Seminar	60

### Seizing The Opportunities in Africa



**Seminar on Trends and Business Opportunities in the African Market**

In recent years, Taiwan has actively promoted its Africa Plan, making significant inroads into the African market. Since 2020, Eximbank has aligned with government policies by organizing a series of seminars titled "Seizing Business Opportunities in Africa". These seminars aim to lead Taiwanese industries into the African market, continuously assisting businesses in expanding their presence there. Through discussions with domestic and international trade associations and enterprises, these seminars focus on market strategies, risk mitigation, and business opportunities in Africa. This initiative strengthens the connection between Taiwan and African countries, guiding Taiwanese businesses to capitalize on the thriving opportunities in Africa.



## Seizing The Opportunities in Africa



**Seminar on Financial Support and Investment for Seizing Business Opportunities in Africa**

Theme	Number of Participants
Brief Introduction of South Africa Investment 2023	35
Seizing the Opportunities in Africa: Seminar on Financial Support, Investment, and Taxation (South Africa, Madagascar, and Lesotho)	35
Seizing the Opportunities in Africa: Seminar on Financial Support (Algeria, Mozambique, and Tunisia)	60

## New Southbound Policy

Eximbank is committed to supporting the government's "New Southbound Policy", assisting domestic manufacturers in entering New Southbound countries' markets. Since 2016, Eximbank has organized numerous large, medium, and small forums and exchange meetings. These events facilitate experience sharing with businesses that have practical investment experience in New Southbound markets, enhancing cooperation and market information exchange.

This year's theme focuses on the future development trends of the Southeast Asian market. It includes sharing experiences on regulations and business expansion with pioneers in the field, as well as providing professional risk management strategies to help businesses balance profit and risk. Below is a list of international exchange forums and seminars held in 2023, which have received enthusiastic responses and helped businesses seize opportunities in New Southbound countries.

## Lembaga Pengembangan Perbankan Indonesia (LPPI) Paying Visits to Eximbank

Lembaga Pengembangan Perbankan Indonesia (LPPI) was established by the Central Bank of Indonesia to provide training courses for Indonesian financial industry professionals. On September 19, a delegation led by LPPI Director Edy Setiadi Suprpto visited Eximbank, accompanied by 25 Indonesian banking managers. Chairman Teng-Shan Tai and relevant executives from Eximbank hosted the delegation.



During the meeting, Eximbank introduced its services, and both parties exchanged views on the development direction of the financial industry and the political and economic situation. This event aimed to foster exchanges with local Indonesian financial professionals, supporting Eximbank's efforts to promote the New Southbound Policy-related businesses.

Theme	Number of Participants
Seminar on Market Trends and Business Opportunities in Thailand, Malaysia, and India	75
Seminar on Seizing Major Business Opportunities in South Asia: Advancing into India at the Right Time	50
Practical Strategies for Cross-Border E-Commerce in the New Southbound Trend	30
Taiwan-India Financial Institutions Exchange Meeting	38



Industry Trends and Trade Marketing Practices

Adhering to the spirit of strengthening trade finance and supporting foreign trade, Eximbank actively expands its business, develops high-potential clients, and deepens relationships with existing clients. To assist Taiwanese enterprises in expanding exports and strengthening cooperation with economic and trade organizations, Eximbank continuously collaborates with the Taiwan External Trade Development Council and various trade associations to conduct business promotion activities.

In 2023, Eximbank organized a total of 18 forums and seminars, with 776 participants attending the in-person seminars. At key exhibitions held by the Taiwan External Trade Development Council, Eximbank stationed representatives to promote related services, enhancing business exchanges and cooperation. They also established corresponding contact points to exchange market information, providing enterprises with timely updates on export expansion and trade finance dynamics. This support helps businesses enhance their export competitiveness, expand into overseas markets, seize business opportunities, and accelerate Taiwan's economic development.

Below is a list of trade marketing practice forums and seminars, both online and offline, held in 2023:

Theme	Number of Participants
Post-COVID-19 Era: New Landscape of International Political and Economic Situations Seminar	36
2023 Global Economic and Trade Trends and Challenges Seminar	61
Introduction to Letter of Credit Forfaiting Insurance	35
Seminar on Marketing and Logistics Practices in the Japanese Market	41
Seminar on Common Disputes and Case Analysis in International Trade	98
Case Analysis of International Trade Disputes Seminar	50
Practical International Trade Seminar	70
Keeping Up with ESG: Developing Sustainable Development Capabilities Seminar	48
Introduction to the Eximbank Services	40
29th Session, 3rd Meeting of the Professional Committee on Handling Machinery Industry	70
Foreign Trade Money Line: Payment Risks and Responses Seminar	50
Creative Marketing to Enhance Marketing Vitality Seminar	45
Training Course for Overseas Personnel of the Taiwan External Trade Development Council (I)	Online-based
Introduction to Global Accounts Receivable Purchase Insurance	35
Risk Management and Avoidance: Entering Overseas Markets	40
Training Course for Overseas Personnel of the Taiwan External Trade Development Council (II)	Online-based
2024 International Economic Situation Analysis and Trade Fraud Case Analysis Seminar	87
Using Export Credit Insurance to Develop Bank Foreign Exchange Business (I) (II)	40

The 2024 International Economic Situation Analysis and Trade Fraud Case Analysis Seminar was successfully Ended.

Eximbank hosted the "2024 International Economic Situation Analysis and Trade Fraud Case Analysis Seminar" at the NTUH International Convention Center on November 30, 2023. The seminar was chaired by Chairman Teng-Shan Tai and featured guest speakers Director Sun, Ming-Te from the Macroeconomic Forecasting Center of the Taiwan Institute of Economic Research and Manager Ting-Chieh Wang from Eximbank's Export Insurance Department. They provided in-depth analysis of the 2024 international economic outlook and the latest trade fraud cases in a humorous and easy-to-understand manner. The event received enthusiastic responses from the attendees and concluded successfully.

As a financial backbone for businesses, Eximbank will continue to organize similar seminars in the future, fostering new growth opportunities alongside enterprises.



Chairman Teng-Shan Tai of Eximbank (center), Director Sun, Ming-Te of the Macroeconomic Forecasting Center at the Taiwan Institute of Economic Research (right), and Manager Ting-Chieh Wang of Eximbank's Export Insurance Department (left) pose for a photo at the event.



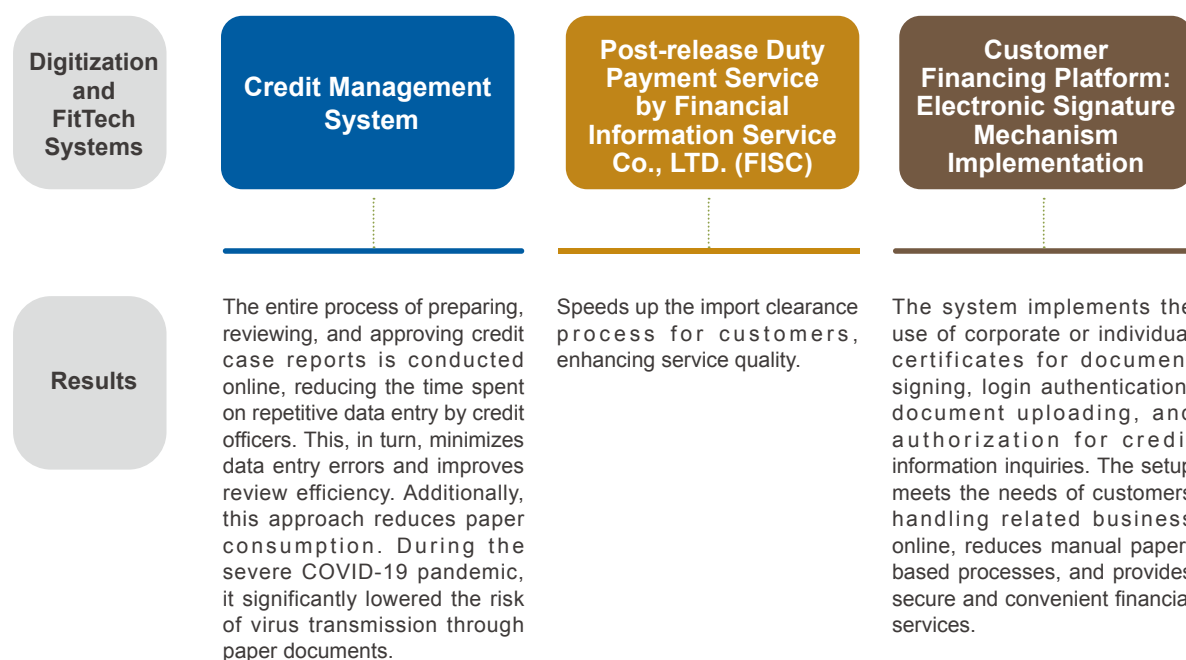
## 2.2 Fintech and Sustainable Finance

### 2.2.1 Fintech

Although Eximbank is a policy-oriented specialized bank without personal banking, consumption, or wealth management services, it actively develops financial technology (FinTech) and digital channels to provide a superior experience and service for corporate clients. This also simplifies internal manual processes and reduces operational risks. Below are the initiatives related to FinTech and customer experience improvements for Financing and Guarantee Services and Export Credit Insurance Services.

#### Credit and Guarantee Services: Digitization of Internal Business and Fintech Development

In response to the trends of financial technology (FinTech) and digital transformation, Eximbank participates in the Ministry of Finance's "State-Owned Enterprises FinTech R&D Integration Platform" and regularly attends related meetings to learn about the application of FinTech in the industry. In addition to joining the Financial Information Service Co., Ltd.'s "Financial Blockchain Inquiry System", Eximbank has integrated with the company's financial blockchain financing system via API to complete the digitalization of the "system of electronic letter of guarantee for post-release duty payment".



#### Export Credit Insurance Services: Export Credit Insurance Services Platform

As a policy-oriented specialized bank primarily serving small and medium-sized enterprises (SMEs), Eximbank has launched an online export credit insurance service platform to adapt to recent technological and industrial changes. By leveraging information technology, Eximbank aims to expand its online services, providing customers with more convenient and efficient online services through this platform.

The bank regularly reviews and adjusts the underwriting conditions and operational procedures for export credit insurance, establishing standard operating procedures to simplify processes, enhance service quality, and improve operational efficiency. The goal is to better serve businesses and increase customer satisfaction. Eximbank also continuously enriches the content of its external website to provide more comprehensive online service quality.





Membership	What We Serve	Targeting Clients
Duly registered manufacturers in Taiwan	Traditional insurance	Companies who have a small number of buyers and a low volume of insured cases.
	GlobalSure Credit Insurance	Companies who have a large and dispersed number of buyers with high shipping frequency.

## Demo of The Export Credit Insurance Service Platform



### Membership

Join the Export Credit Insurance Online Service Platform by becoming a member, filling in your company's basic information, revenue, number of employees, and contact details, which will then be reviewed by Eximbank.

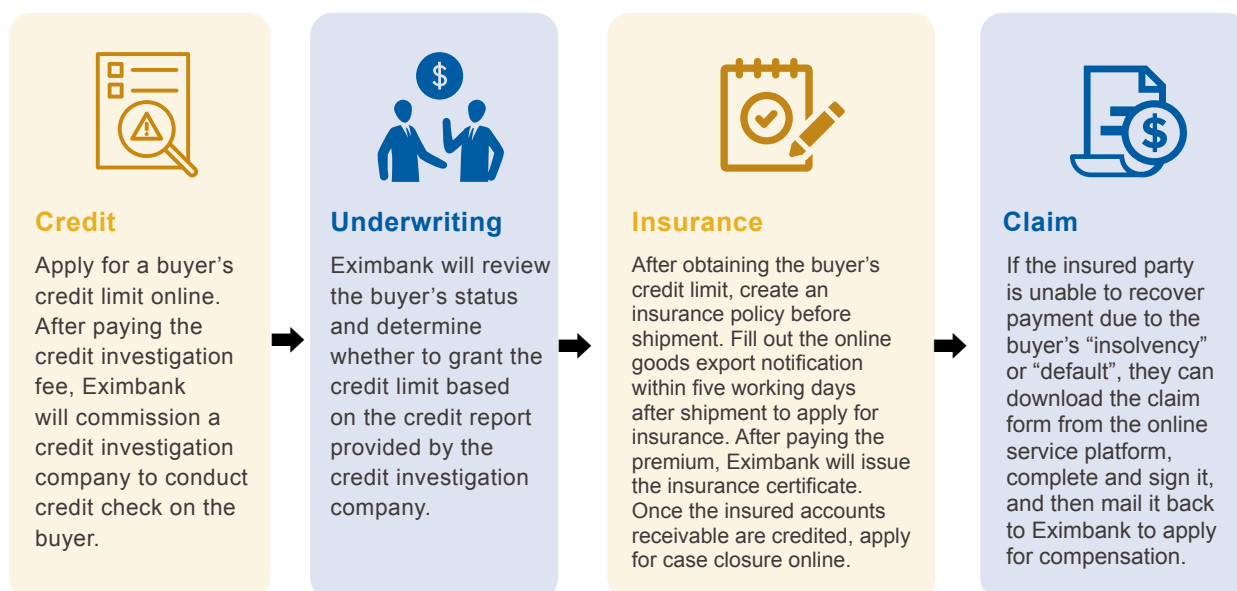


### Quota System

Evaluate suitable insurance products based on the company's size, revenue, number and distribution of buyers, and transaction model.

The Export Credit Insurance Online Service Platform provides fast online application services for various insurance types, allowing businesses to apply and inquire online, saving time and offering convenience. This also reduces the risk of infection through contact, meeting the need for safer and simpler processes. The online service platform includes online claims processing, which supports the goal of paperless operations. Storing claims online prevents document loss and avoids redundant work, ensuring smooth case transitions even when staff are rotated.

## Workflow of the Export Credit Insurance Service Platform





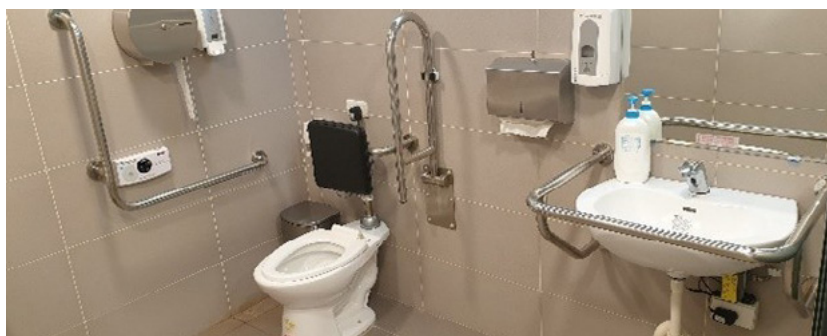
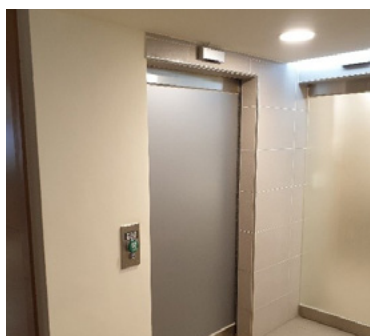
Eximbank upholds the spirit of flexibility, simplicity, and speed by refining the Export Credit Insurance Online Service Platform based on customer feedback and staff suggestions. This approach aims to increase user engagement, optimize staff allocation, and continuously update the platform's features through iterative improvements. The goal is to provide a user-friendly experience and uninterrupted export credit insurance services, thereby reducing the manual workload for staff.

## 2.2.2 Financial Friendly Services

To ensure that individuals with disabilities fully enjoy basic, equal, and reasonably convenient financial services, Eximbank has established the "Eximbank Financial Friendly Service Implementation" and provides accessible environments and financial services. This initiative aims to protect the rights of people with disabilities, promote their social inclusion, and ensure equal opportunities. Below are the financial friendly services provided:

- 1 Accessible Environment: Build facilities such as dedicated restrooms for people with disabilities; lowering desk heights to accommodate employees with disabilities.
- 2 Visual Assistance: Eximbank offers document collection and on-site verification services for applicants who are unable to visit in person.
- 3 Visual Assistance: Magnifying glasses are available for visually impaired customers, and contracts and application forms can be provided in enlarged print as needed.
- 4 Hearing Assistance: Consultation services are provided through written communication or other assistive devices for hearing-impaired clients.
- 5 Service Notifications: Clients can choose to receive notifications (e.g., loan approvals or interest payment reminders) via written letters, phone calls, faxes, or emails.
- 6 Client Feedback: All branches have suggestion boxes and satisfaction survey form allowing our clients to express their opinions and protect their rights. In addition, our website offers an Inquiry Mailbox for online communication.
- 7 Complaint Hotlines: Dedicated complaint hotlines (02-2396-1570 and toll-free 0800-090511) provide customers with a telephone communication channel.
- 8 Website Accessibility: The "Customer Portal Visual Optimization Design" complies with Responsive Web Design (RWD) standards and has passed the "Government Website Instant Check System", earning the "Website Accessibility Guidelines" AA level certification.

### Friendly Accessible Toilet



## 2.2.3 Sustainable Finance

To accelerate alignment with international trends, strengthen environmental and social risk management, and achieve sustainable operations with corporate partners, Eximbank has long integrated environmental protection and social responsibility into its business operations. As a state-owned bank, Eximbank not only focuses on fulfilling its policy mission of strengthening trade finance and supporting foreign trade but also adheres to the Financial Supervisory Commission's Green Finance Action Plan 3.0. Through financial mechanisms, Eximbank guides enterprises and investors towards a virtuous cycle of green and sustainable development.

Eximbank strictly reviews business interactions with controversial industries, such as gambling, arms, or those highly susceptible to money laundering and terrorism financing. Currently, Eximbank does not undertake related credit or export credit insurance business with these industries. Relevant departments at Eximbank regularly compile performance reports on sustainable finance initiatives from the Ministry of Finance's ESG Advocacy Platform and submit the results to the General Manager.

### ESG Credit Process

Eximbank has incorporated ESG principles into its credit policies. When handling credit cases, it references the "Guidelines for Identifying Sustainable Economic Activities". If a company makes substantial contributions to ESG and this information is verified by an independent external organization, Eximbank will evaluate the conditions for undertaking the credit based on the 5P case considerations. In addition, to align with the government's green credit policy and assist enterprises in achieving sustainable development goals such as energy conservation, carbon reduction, renewable energy, and pollution prevention, Eximbank reported to the Financial Supervisory Commission in January 2024 about the "Green Sustainable Loans and Guarantee Services" and received approval to launch these services.

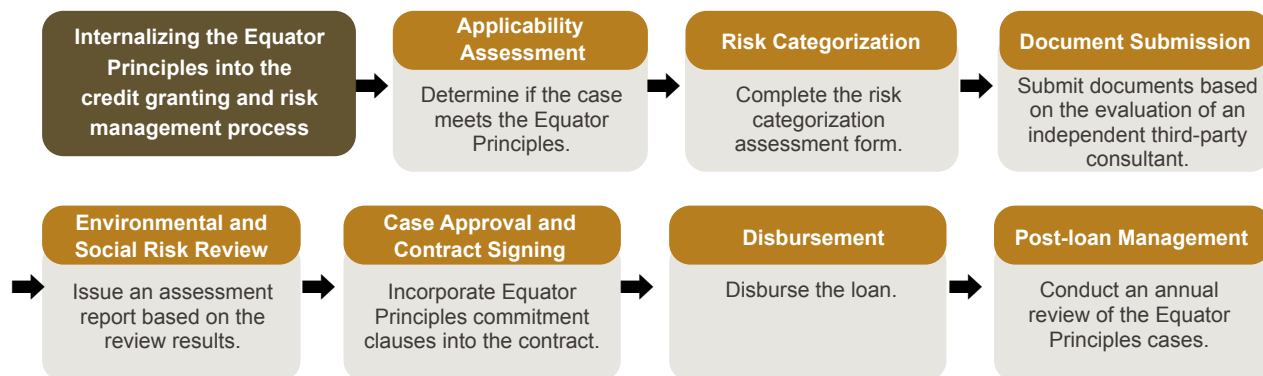
During the review and subsequent tracking and assessment of credit cases, Eximbank follows its credit policy regulations. It evaluates whether the credit clients adhere to ESG principles, including environmental protection, corporate integrity, social responsibility, and corporate governance. This assessment ensures that clients are committed to environmental protection and social responsibility, continuously guiding them towards sustainable development.

### Highlight of ESG Credit

Eximbank participated in a syndicated loan for Zhong Neng (中能) Offshore Wind Farm, off the coast of Changhua County, which won the "Renewable Energy Deal of the Year — Offshore Wind, Taiwan" award organized by the international financial magazine The Asset in 2022.

### Management System

1. Introduction of Equator Principles: In April 2022, Eximbank signed the Equator Principles and, in March 2023, established the Eximbank Equator Principles Project Implementation Guidelines and the Eximbank Equator Principles Project Operating Procedures. Future project financing cases that apply the Equator Principles will adhere to the project financing review process, conduct environmental and social risk assessments, and propose relevant improvement plans.





### Disclose the execution status of Equator Principles credit cases annually.

2. According to the Equator Principles and the “Eximbank Equator Principles Project Implementation Guidelines” and “Eximbank Equator Principles Project Operating Procedures”, all loan cases must determine with “Equator Principles Applicability Checklist”.

3. Corporating ESG Indicators into the Audit Checklist

Being a member of the Equator Principles Association, Eximbank should follow the Equator Principles guidelines to implement the project financing review process. In addition, Eximbank will integrate ESG evaluation indicators into its audit checklist.

ESG Indicator	Definition	Audit Criteria
The financial aspects, environmental protection, corporate integrity, corporate governance, and social responsibility of the borrower.	Whether there are any significant negative disclosures regarding the borrower's environmental, social, and governance (ESG) practices, or if the borrower has violated relevant laws or is involved in litigation affecting the company's reputation, operations, or resulting in substantial compensation.	Whether ESG assessments are included during loan approval, post-loan condition changes, or post-loan monitoring and management.

## The Six Core Strategic Industries Promotion Plan

In order to promote economic structural transformation and industrial development, the government encourages the financial sector to provide loans to key innovative industries. Scope of the 5+2 Key Innovative Industries Loan includes Asia Silicon Valley, Smart Machinery, Green Energy Technology, Biotechnology and Medical Care, National Defense Industry, New Agriculture, and Circular Economy Industries.

The implementation period for the Six Core Strategic Industries is from April 1, 2022, to the end of 2024, divided into three phases. Eximbank fully supports this plan by promoting related industry loans. At the end of 2023, the outstanding loan balance for the Six Core Strategic Industries was NT\$12.22 billion, with 20 credit clients.



## Sustainability-Linked Loan

Eximbank participates in joint supplier conferences within the industry to promote ESG. In response to the government's green finance policy, Eximbank revised the evaluation process for ESG Credit. In 2023, Eximbank undertook 42 domestic and international sustainability-linked loans, with a total balance of NT\$13.587 billion and USD 70 million. The conditions include considering the corporate governance evaluation rankings of the Taiwan Stock Exchange or referencing the greenhouse gas emission indicators provided by third-party certification bodies for credit clients, with appropriate interest rate reductions.

## Successful Cases of Sustainability-Linked Loan Clients



### Eximbank Supports Companies in Prioritizing Net-Zero Emissions, Effectively Managing and Reducing Carbon Footprint

Eximbank provided Company A with a short-term export loan of NT\$600 million, linking it to sustainable development mechanisms to help the company progress on its carbon reduction journey. The company has made significant efforts in environmental sustainability performance, including the implementation of ISO 50001 Energy Management System, ISO 14064 Greenhouse Gas Inventory, and ISO 14067 Product Carbon Footprint. The company aims to continuously enhance energy conservation, promote resource recycling, participate in global green product movements and green procurement, and reduce greenhouse gas emissions, striving to achieve carbon neutrality by 2040 and practice green energy sustainability.







### Eximbank and Companies Work Together to Build a Sustainable Future

Eximbank provided Company B with a general export loan of NT\$300 million, linking it to sustainable development mechanisms to promote the company's progress towards sustainability. The company actively strengthens its ESG sustainability foundation, participates in various environmental initiatives, fulfills its corporate responsibilities to customers and society, and contributes to environmental protection. The company's various plants have actively implemented management system certifications such as ISO 9001, TL 9000, ISO 14001, ISO 45001, and ISO 14064-1, continuously promoting improvements to comply with laws and regulations and achieve customer satisfaction.

## 2.2.4 Inclusive Financing

To strengthen financial support for small and medium-sized enterprises (SMEs), Eximbank utilizes funds from the Ministry of Economic Affairs' Small and Medium Enterprise Development Fund and guarantee services from the Small and Medium Enterprise Credit Guarantee Fund. Eximbank actively provides financing to SMEs to help them secure orders, expand export markets, and enhance their competitiveness. In addition, Eximbank aligns with government initiatives to promote the development of key innovative industries, continuously offering necessary financing or guarantee support to these industries. This assistance helps key innovative industries obtain the required financial services, improve international competitiveness, and expand into overseas markets.

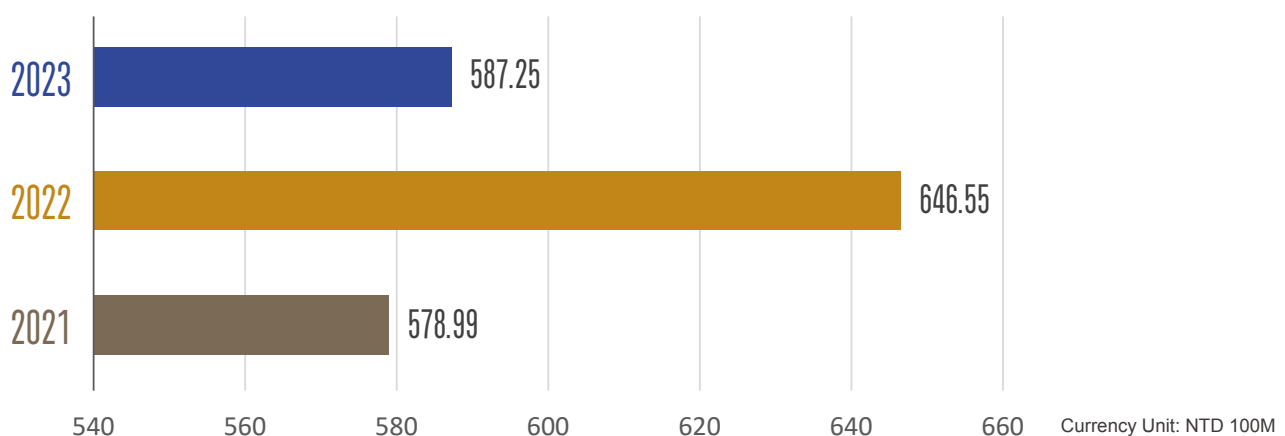
### Small and Medium-Sized Enterprises (SMEs)

Eximbank offers a variety of financial services such as export loans, import financing, and construction project financing. In addition, government agencies provide related programs. For instance, the Ministry of Economic Affairs supports SMEs in exporting machinery and equipment, investing overseas, or undertaking overseas construction projects through the SME Development Fund Project Loans. These loans assist Eximbank in providing export loans, overseas investment loans, and overseas construction project loans, with applicable periods depending on fund usage.

From January to the end of June 2023, the average outstanding balance of SME loans was NT\$9.168 billion, with an average of 127 clients. From July to the end of December 2023, the average outstanding balance of SME loans was NT\$9.479 billion, with an average of 132 clients.

Approximately 85% of the current export credit insurance clients are SMEs. To enhance services for SMEs, Eximbank has established an SME Export Credit Insurance Service Desk and has long-term collaborations with over 20 international credit investigation companies. These companies conduct credit investigations on buyers for manufacturers, and professional underwriters analyze the credit reports to help manufacturers mitigate the risk of bad debts in international trade. In 2023, the total insured amount provided to SMEs through export Credit Insurance was NT\$58.725 billion.

### The Export Credit Insurance Amount for SMEs by Eximbank in the Past Three Years





## 2.3 Customer Privacy and Information Security

### 2.3.1 Information Security Governance Structure and Strategy

Eximbank's information security governance strategy aims to protect the organization's information assets and ensure their proper use. This includes conducting regular comprehensive risk assessments and management, such as security vulnerability scans and tests, to identify information security threats and vulnerabilities faced by the organization. By evaluating the severity and likelihood of risks, the most critical items are prioritized, and corresponding risk management strategies are developed.

Additionally, strict information security policies and procedures are established and implemented, covering issues related to information security, including user access control, data classification and protection, network and system security, and etc. All personnel within the organization are ensured to understand and comply with these policies and procedures, and appropriate education and training are provided.

### Information Security Reporting Mechanism

To ensure that information operations can promptly report and respond to information security incidents, such as destruction or improper use, in accordance with Article 18 of the "Cyber Security Management Act" and related regulations of the "Regulations on the Notification and Response of Cyber Security Incident", Eximbank has established the "Information Security Incident Reporting and Response Team". This team conducts drills during normal times and follows the reporting and response procedures according to the incident level.

### Implementation of Information Security Standards

To effectively protect information assets and establish a secure and reliable information environment, the bank expanded its verification scope in 2022 and obtained ISO 27001 certification in March 2022. The bank also established mechanisms to protect personal data and obtained ISO 27701 certification in March 2022. In 2023, the bank introduced a business continuity management system and passed the ISO 22301:2019 certification in March 2024.



## 2.3.2 Information Security Management Measures

To enhance information security management and ensure the confidentiality, integrity, and availability of information, while maintaining the stability and reliability of information equipment and network systems, the bank will independently operate and outsource the maintenance of related intermediary and packaged software and hardware required for system operations (including time-sensitive operations). Additionally, security measures include the establishment of data center security monitoring system and information security facilities such as intrusion detection and prevention systems, firewalls, web application firewalls, web security gateways, antivirus systems, system security automatic update services, email personal data filtering and antivirus systems, resource management and network security protection systems, privileged account management systems, data encryption software, personal data inspection tools, host security audit systems, and event log retention and analysis systems. In 2023, the bank completed the “High Availability Firewall Architecture” and established a firewall high availability mechanism.

To ensure an effective operation of the established information security systems and maintain the confidentiality and normal operation of information assets, the bank not only strengthens the functions of each system to meet information security requirements but also regularly conducts security inspections. These include outsourcing information security assessments and health checks, formulating corresponding control measures for vulnerabilities found in information systems, and regularly participating in information security incident reporting drills organized by the Financial Supervisory Commission to enhance employees’ ability to respond to information security incidents and reduce the impact of such incidents on business operations.

Management Mechanisms	Description of Operation Mechanism	Execution Frequency
Information Security Assessment	According to the “Information Security Assessment Procedures for Computer Systems of Financial Institutions”, a third party is commissioned to conduct “Information Security Assessment Operations for Computer Systems”. Based on the assessment report, corresponding control measures are formulated and regularly reviewed.	Annually
Information Security Health Check	A third party is commissioned to review the network architecture, inspect for malicious activities on the network, user endpoints, and server hosts, and review directory server and firewall connection settings. Improvements are made based on the inspection results.	Every 2 years
Information Security Incident Reporting Drill	Participated in the Financial Supervisory Commission’s information security incident reporting drill in November 2023, simulating the occurrence of information security incidents to familiarize with the reporting and response process.	Annually

## Information System Assessment

Eximbank commissions a third-party organization annually to conduct information security assessments of its computer systems. Based on the assessment report, corresponding control measures and handling deadlines are formulated for the improvement suggestions. These are then sent to the Auditing Office for tracking and review of the improvement items. Regular vulnerability scans and penetration tests of system equipment are conducted to identify potential information security threats and weaknesses. Timely system security updates and patching are performed to enhance system security and protection capabilities. An outsourced Security Operations Center (SOC) is established to monitor information security risks.

Assessment System	Assessment Items	Follow-up Measures
First Category System (SWIFT System)	1.Information Architecture	Formulate corresponding control measures for each risk based on the suggestions in the assessment report, and implement improvements according to the planned schedule to enhance system security and protection capabilities.
Second Category System (Core Information Systems)	2.Network Activity	
	3.Inspection of Network Equipment, Servers, Endpoints, and IoT	
Third Category (Business Support and Administrative Information)	4.Security Settings	
	5.Compliance Review	



## Information Security Incident Reporting Levels

To handle information security incidents quickly and effectively, the bank has established formal reporting procedures and channels for information security incidents, and has defined the actions and measures to be taken after reporting. Employees, outsourced vendors, and their employees should remain vigilant and report any potential security incidents, security weaknesses, and violations of security policies and regulations according to the guidelines. Information security incidents are classified into four levels based on their scope and impact.

Level	Description of Information Security Incident Impact
<b>Level 1 Incident</b>	<ul style="list-style-type: none"> <li>Minor leakage of non-core business information.</li> <li>Minor tampering of non-core business information or non-core information systems.</li> <li>Impact or interruption of non-core business operations, which can be restored to normal operation within the tolerable downtime, affecting the daily operations of the organization.</li> </ul>
<b>Level 2 Incident</b>	<ul style="list-style-type: none"> <li>Severe leakage of non-core business information, or minor leakage of core business information not involving critical infrastructure maintenance.</li> <li>Severe tampering of non-core business information or non-core information systems, or minor tampering of core business information or core information systems not involving critical infrastructure maintenance.</li> <li>Impact or interruption of non-core business operations, which cannot be restored to normal operation within the tolerable downtime, or impact or interruption of core business operations or core information systems not involving critical infrastructure maintenance, which can be restored to normal operation within the tolerable downtime.</li> </ul>
<b>Level 3 Incident</b>	<ul style="list-style-type: none"> <li>Severe leakage of core business information not involving critical infrastructure maintenance, or minor leakage of general government secrets, sensitive information, or core business information involving critical infrastructure maintenance.</li> <li>Severe tampering of core business information or core information systems not involving critical infrastructure maintenance, or minor tampering of general government secrets, sensitive information, core business information, or core information systems involving critical infrastructure maintenance.</li> <li>Impact or interruption of core business operations or core information systems not involving critical infrastructure maintenance, which cannot be restored to normal operation within the tolerable downtime, or impact or interruption of core business operations or core information systems involving critical infrastructure maintenance, which can be restored to normal operation within the tolerable downtime.</li> </ul>
<b>Level 4 Incident</b>	<ul style="list-style-type: none"> <li>Severe leakage of general government secrets, sensitive information, or core business information involving critical infrastructure maintenance, or leakage of national secret information.</li> <li>Severe tampering of general government secrets, sensitive information, core business information, or core information systems involving critical infrastructure maintenance, or tampering of national secrets.</li> <li>Impact or interruption of core business operations or core information systems involving critical infrastructure maintenance, which cannot be restored to normal operation within the tolerable downtime.</li> </ul>

## Information System Backup Mechanism

To proactively prevent emergencies, the bank has established a series of preventive measures. The backup methods for information business systems include daily batch backups to local storage media and regular generation of real-time snapshots of servers locally to provide emergency backup online services. For critical core business systems, the bank rents a data center from Chunghwa Telecom to establish an off-site real-time synchronization backup mechanism and external business system backups (such as SWIFT, central bank fund transfers and settlements, central bank open market operations, central bank foreign exchange reporting, and Joint Credit Information Center data submissions) to ensure continuous operation of information systems without interruption.



### 2.3.3 Customer Privacy Management and Protection

For non-automated personal data retrieval, the bank has established the “Guidelines for the Maintenance and Management of Personal Data Security” and the “Precautions for the Maintenance and Management of Personal Data Security” for all units to follow. For personal data files that are not part of the information system, their security maintenance and management are handled according to these guidelines and precautions.

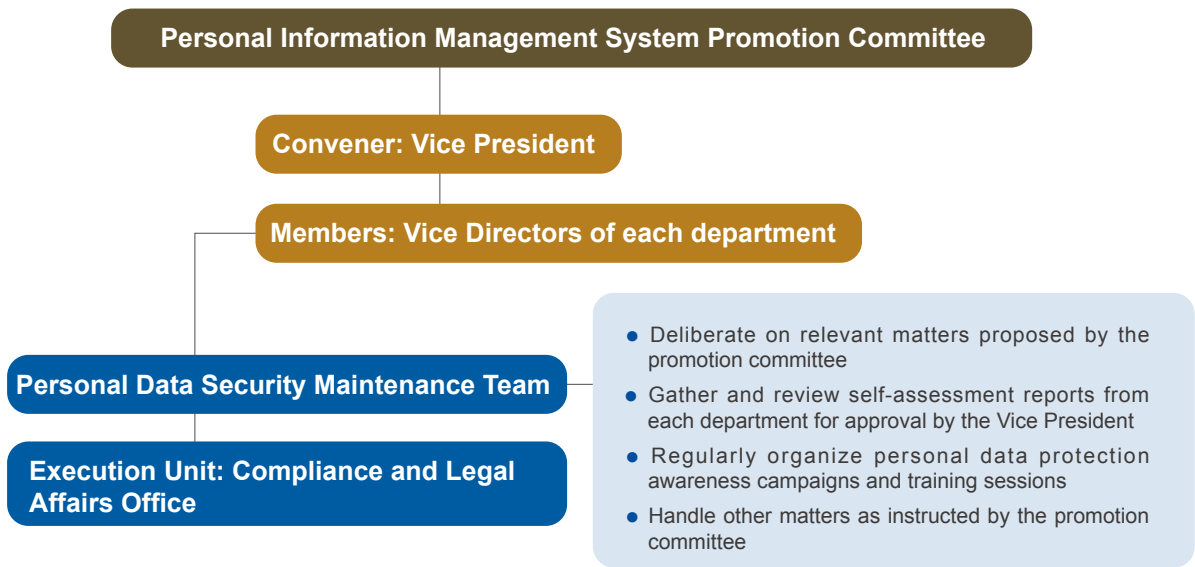
The bank has set up the “Guidelines for the Maintenance and Management of Personal Data Security” and its precautions to protect the privacy rights of customers in the collection, processing, and use of personal data. The bank reviews the personal data file inventory at least once a year and submits a “Self-Assessment Report on the Maintenance and Management of Personal Data Security” by the end of September each year. This report is compiled by the Personal Data Security Maintenance Implementation Team and submitted to the General Manager for approval to ensure the protection of customer rights and the confidentiality of customer data. To protect the security of website user data transmission and enhance account security, the bank’s export credit insurance online service platform uses HTTPS encrypted connections. In addition to complex passwords, graphical verification is used to strengthen login security.

#### Personal Information Management System Promotion Committee

To implement the protection and management of personal data, the bank has established the “Personal Information Management System Promotion Committee”. This committee is responsible for establishing personal data protection regulations, including the collection, processing, and use of personal data, and reviewing related matters. The committee is chaired by a Deputy General Manager appointed by the General Manager, with several members from various departments. The committee also includes the “Personal Data Security Maintenance Implementation Team”, which has an Executive Secretary and several staff members from the Compliance and Legal Affairs Office.

The committee is convened by the chairperson as needed and holds at least one meeting annually. In December 2023, the Chief Compliance Officer convened the “Personal Data Protection Management System Promotion Committee” meeting to review the annual promotion of the personal data security maintenance management system, strengthen control, and ensure the implementation of personal data security throughout the bank. The committee’s organizational structure is as follows:

#### Organizational Structure of the Personal Information Management System Promotion Committee



To protect user personal data and enhance information security, the bank has also introduced relevant management and inspection mechanisms to prevent data leakage or malicious virus intrusion. In 2023, there were no incidents of data leakage, infringement of customer privacy rights, or loss of customer data. The following are the personal data security management mechanisms established:





Management Mechanism	Operational Mechanism
Privileged Account Management System	Strengthens the management of privileged accounts to meet information security requirements, protects and automatically rotates privileged account passwords, and audits the use and traces of privileged accounts.
Personal Information Management System (PIMS)	Establishes a personal data protection management system to strengthen personal data security management in compliance with information security requirements.
Web Page Anti-Tampering Mechanism	Establishes an anti-tampering mechanism for external service websites, continuously monitors website operations, and automatically restores web pages if tampered with, enhancing service resilience.
Endpoint Detection and Response Mechanism	Introduces an endpoint detection and response mechanism for critical hosts to strengthen endpoint monitoring and protection.
Purchase of Additional Hosts for System Upgrade Verification Environment	Strengthens system upgrade assessments to meet information security requirements.
Enhanced Data Loss Prevention (DLP)	Strengthens personal data inspection mechanisms and prevents the leakage of sensitive data to meet information security requirements.
Social Engineering Attack Prevention Mechanism	Strengthens email management mechanisms to prevent malicious virus intrusion, conducts email social engineering drills to raise employee awareness of malicious emails.
Distributed Denial of Service (DDoS) Attack Defense	Strengthens external traffic monitoring mechanisms, automatically alerts, and activates traffic cleaning mechanisms in case of DDoS attacks to ensure normal service.
Information Security Threat Detection and Management Mechanism	Continuously strengthens the information security threat detection and management mechanism, detects abnormal behavior, automatically alerts, and responds promptly.
Replacement and Upgrade of Protective Equipment	Replaces protective equipment to improve service resource efficiency, resist new threats, and enhance website protection.
Introduction of Content Delivery Network (CDN) Services	Introduces CDN services to distribute traffic, improve website service delivery speed, and effectively resist DDoS attacks.

## Precautions for Non-Automated Personal Data Retrieval

Item	Key Points of Precautions Explanation
1	Personal data files outside the information system should be stored in locked cabinets, file rooms, safes, or other secure locations with appropriate protective equipment or technology based on their characteristics and environment. If encryption is needed, appropriate encryption measures should be taken. Non-handling personnel should only view the files based on business needs and with the approval of the unit supervisor. When media containing personal data files are discarded or repurposed, the personal data files should be cleared first.



Item	Key Points of Precautions Explanation
2	When transmitting personal data files between units, a receipt mechanism should be established to ensure the flow of data and confirm the recipient. For external transmission, the files should be sealed and delivered by a designated person or sent by registered mail.
3	Personal data files taken out of the office should be based on business needs and approved by the department supervisor, and should be properly managed to prevent data leakage.
4	The “Personal Data File Inventory” established by each unit should be reviewed by the unit supervisor and handed over to the designated personnel for consolidation and safekeeping.
5	For the addition, modification, or deletion of personal data files due to business needs, the unit supervisor’s approval should be obtained, and the changes should be recorded in the “Personal Data File Inventory Review and Update Record”.
6	Each unit should review the personal data file inventory at least once a year. If there are business changes involving personal data, the personal data file inventory should be adjusted and recorded in the record.
7	To continuously improve the personal data security maintenance management system, each unit should submit a “Self-Assessment Report on the Maintenance and Management of Personal Data Security” by the end of June each year. This report is compiled by the Personal Data Security Maintenance Implementation Team and submitted to the General Manager for approval.

## 2.4 Customer Service and Rights

### 2.4.1 Principles of Fair Treatment and Complaint Handling System

Eximbank has established internal regulations, including the “Policy and Strategy for Fair Treatment of Customers” and the “Customer Complaint Handling Guidelines”. Various departments have also established standard operating procedures for different business categories, such as the “Friendly Financial Service Process and Standards for Credit Business” by the Department of Loan and Guarantee and the “Friendly Financial Service Process and Standards for Export Credit Insurance Business” by the Department of Export Insurance, to ensure compliance when providing services.

#### Policy and Strategy for Fair Treatment of Customers

To enhance the awareness and internalization of the principles of fair treatment among all employees and to establish a culture that values financial consumer protection, making it a shared value system and code of conduct, the bank held multiple online and in-person training courses in 2023. These courses provided 8 hours of training for employees, with 247 participants in in-person courses and 431 participants in online courses.

Course	Number of Participants	Training Hours	Participation Method
Understanding Persons with Disabilities and Friendly Financial Service Guidelines	124	2	In-person
Introduction to Friendly Financial Service Guidelines and Services for Persons with Disabilities (including case studies and response simulations)	123	2	In-person
Friendly Financial Services - Core Concepts of the Convention on the Rights of Persons with Disabilities (CRPD)	217	1	Online



Course	Number of Participants	Training Hours	Participation Method
Friendly Financial Services - Core Concepts of the Convention on the Rights of Persons with Disabilities (CRPD)	214	3	Online

To protect financial consumers and declare the concept of fair treatment, the bank has established seven principles as the highest guiding principles of its fair treatment policy. These principles ensure that when providing financial products or services such as credit or export credit insurance, the business units treat customers fairly throughout the design, advertising, sales, contract performance, service consultation, and complaint handling processes, in compliance with financial consumer protection regulations. The following describes the content of each highest guiding principle:

## Principles of Fair Treatment

### Financial Consumer Product Protection

#### (1) Contract Fairness and Integrity Principle :

When entering into credit or export credit insurance contracts with financial consumers, the bank should adhere to the principles of fairness, reasonableness, equality, reciprocity, and integrity. The agreed terms should be clearly stated in the contract and communicated to the consumer. If there is any ambiguity in the contract terms, they should be interpreted in favor of the financial consumer. Additionally, employees should strictly follow relevant policies, operating guidelines, and internal regulations when handling credit or export credit insurance business.

#### (2) Duty of Care and Loyalty Principle :

When handling credit or export credit insurance business, the bank should fulfill the duty of care of a good manager. If the business involves trust or agency, the bank should also fulfill the duty of loyalty as required by applicable laws or contractual agreements.

### Principles of Financial Product Advertising

#### (3) Truthfulness in Advertising Principle:

When soliciting financial consumers through advertising, the bank should ensure that the advertising content is truthful and that the information provided does not mislead consumers. The bank should follow the guidelines for managing promotional materials and dissemination processes to ensure that advertisements, broadcasts, business solicitations, or promotional activities are not improper, false, misleading, or in violation of relevant laws and self-regulatory norms.

### Principles of Financial Product Disclosure

#### (4) Product or Service Suitability Principle:

Before entering into a financial product contract with a financial consumer, the bank should fully understand the consumer's relevant information to ensure the suitability of the product or service. The signing process and the completeness of the information provided by the financial consumer should be reviewed by the appropriate unit or personnel. Before handling specific financial products, the bank should consider the suitability for the financial consumer, ensuring that the consumer understands the insurance product they are purchasing and that it meets their actual needs. The relevant financial product content should be provided for the consumer's review.

#### (5) Disclosure and Explanation Principle:

Before entering into a credit or export credit insurance contract with a financial consumer, the bank should fully explain the product or service and the contract content to the consumer and disclose any risks. Additionally, the bank should provide the export credit insurance policyholder with necessary information, advising them to read the policy terms carefully and pay attention to exclusions and non-coverage items, in compliance with relevant guidelines.



### Protection of Financial Consumer Rights

#### (6) Complaint Protection Principle:

When handling financial consumer complaints, the bank should follow the “Customer Complaint Handling Guidelines” and the “Standard Operating Procedures for Customer Complaint Handling” to properly manage and resolve financial consumer disputes at different levels.

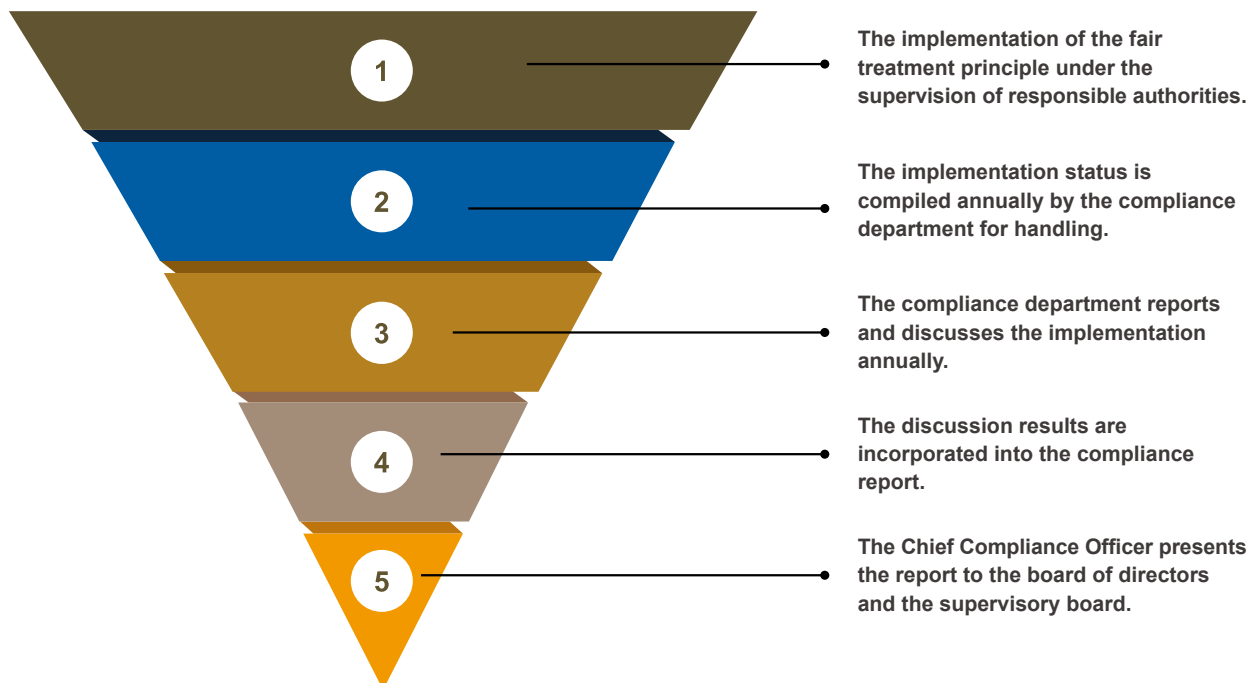
### Principles of Professionalism for Practitioners

#### (7) Professionalism of Employees Principle :

Employees handling specific financial product transactions should possess the legally required professional qualifications. Relevant employees should complete financial education courses annually to ensure that both employees and supervisors have professional qualifications and have received professional training.

To strengthen the internalization of the principles of fair treatment as part of the corporate culture, the compliance supervisors of business units should monitor the implementation of the principles within their units. The implementation status should be regularly reported to the Compliance and Legal Affairs Office, which is responsible for reviewing the implementation status of business units. The results are compiled and reported annually to the business meeting for discussion, and the discussion results are included in the overall compliance system implementation report, which is presented by the Chief Compliance Officer to the Board of Directors and the Supervisory Board.

### Implementation Guidelines for the Principles of Fair Treatment



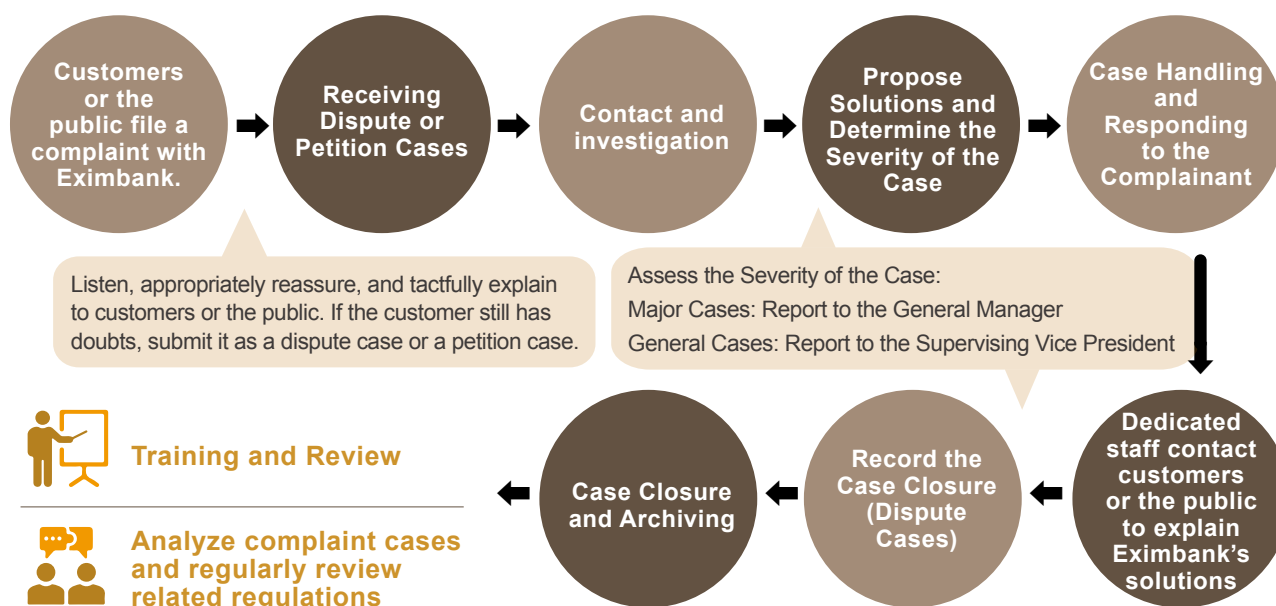
### Customer Complaint Handling System

Business units also incorporate this strategy and policy into their unit training courses. When customer complaints or financial consumer disputes arise, they should be handled promptly and appropriately according to the “Customer Complaint Handling Guidelines” and the “Standard Operating Procedures for Customer Complaint Handling”. The bank should review whether there are any violations of the principles of fair treatment or financial consumer protection



regulations and make timely revisions to this policy and strategy and related regulations. The bank provides an electronic mailbox for customer complaints on its official website, allowing customers to give suggestions or feedback. In 2023, there was one financial consumer dispute case related to export credit insurance. The customer applied for mediation with the Financial Ombudsman Institution in April 2023 due to a claim dispute arising from a trade dispute. After reviewing the relevant evidence, the institution decided in March 2024 that “the institution cannot make a favorable determination for the applicant’s request”.

## Customer Complaint Handling Standard Operating Procedures



## 2.4.2 Customer Satisfaction Surveys

Eximbank is committed to providing professional banking services to its customers. To offer better services, the bank conducts satisfaction surveys with existing customers using questionnaires. The results of these surveys are reported to the General Manager every six months and published on the bank’s employee portal. These results serve as a basis for future business services and improvement measures. Additionally, after hosting or co-hosting seminars, the bank conducts surveys with participating enterprises and analyzes the collected questionnaires.


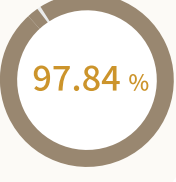
### Credit Service Customer Satisfaction Surveys

Survey Method and Frequency	Survey Items	Survey Results
Paper questionnaires are used to conduct customer satisfaction surveys with existing customers every six months.	Service attitude of business personnel, response speed, and the helpfulness of credit services to customers.	A total of 195 valid questionnaires were collected regarding customer satisfaction with export credit services. The overall satisfaction rate was above satisfactory. <b>100 %</b>
Paper questionnaires are used to conduct surveys with participating enterprises after hosting or co-hosting seminars.	Satisfaction with seminar content, location, process, speakers, and overall impression.	A total of 400 valid questionnaires were collected regarding customer satisfaction with the seminars. The overall satisfaction rate was above satisfactory. <b>98.69 %</b>





## Export Credit Insurance Service Customer Satisfaction Surveys

Survey Method and Frequency	Survey Items	Survey Results
Paper questionnaires are used to conduct customer satisfaction surveys with existing customers every six months.	Service attitude of business personnel, response speed, and the helpfulness of export credit insurance services to business operations.	A total of 259 valid questionnaires were collected regarding customer satisfaction with export credit insurance services. The overall satisfaction rate was above satisfactory. 
Paper questionnaires are used to conduct surveys with participating enterprises after hosting or co-hosting seminars.	Satisfaction with seminar content, location, process, speakers, and overall impression.	A total of 115 valid questionnaires were collected regarding customer satisfaction with the seminars. The overall satisfaction rate was above satisfactory. 



## CH-3

# Environmental Sustainability

In response to the society's promotion of energy conservation, carbon reduction and the implementation of environmental sustainability. We actively take measures to reduce energy consumption, continue to promote energy-saving solutions and daily management, implement compliance with Energy management regulations and promote energy-saving concepts within the organization.

## Highlights 1 Achieve the Energy Saving Targets

In 2023, compared with 2022, the amount of electricity used were reduced by 8.72% and the amount of oil were reduced by 4.47%.

## Highlights 2 Promote Environmental and Climate Change education

Organized online environmental education courses, with 265 participants per session.

Nine sustainability and climate change related courses were held, with a total of 297 participants.

## Highlights 3 Implement Green Procurement

The degree of green procurement has reached 100%.

## Highlights 4 Establishment of a Working Group on TCFD Reports

The TCFD Report Working Group, led by senior executives, was formed across departments to actively promote the introduction of climate change-related financial disclosures, and released the TCFD report in 2024 to reveal the implementation of Eximbank's response to climate change in 2023.

## Highlights 5 Sign the Equator Principles

In April 2022, the Equator Principles were signed, and in March 2023, the "Implementation Points for Equator Principles Cases of Eximbank" and the "Operating Specifications for Equator Principles Cases of Eximbank" were approved to implement the project financing review process.

## Highlights 6 Imported and Verified ISO 14064-1

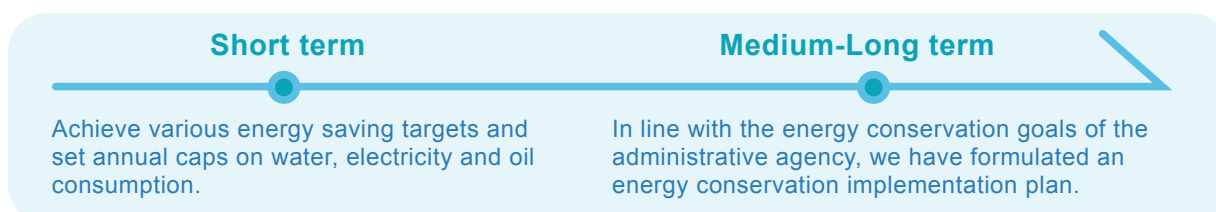
Passed the external audits of ISO 14064-1 GHG inventory for 2022 in Q3 2023 and completed GHG 2023 by the end of June 2024 inventory and verification, the information covers the head office and four branches in Hsinchu, Taichung, Tainan and Kaohsiung, as well as three representative offices in Bangkok, Prague in the Czech Republic and Jakarta in Indonesia Thailand.

## Highlights 7

In October 2023, the installation of a rooftop solar electricity power generation system in the Tainan branch were completed, and the supply of electricity had already begun.

## Short-term, Medium-term and Long-term Goals for Environmental Sustainability

In order to improve the overall efficiency of electricity use in Taiwan, the government has formulated the "Electricity Efficiency Management Plan for Government Agencies and Schools" and "Electronic Document Energy Saving and Paper Reduction Promotion Plan". In response to the government's actions and public expectations, Eximbank has also set short, medium and long-term goals, as shown in the following figure:



In addition, to implement environmental sustainability and reduce the consumption of electricity, water and oil year by year, the Department of Administrative Management, in collaboration with various departments, has specifically planned the '2020-2023 Energy Conservation Implementation Plan' with medium- to long-term goals. Annual target is set based on the base year. In 2023, the goals for electricity and fuel savings have been achieved, and the amount of electricity used has been reduced compared to last year.

Project	Objectives/KPIs	Actual usage in 2023 compared to actual usage in the previous year	2024 target
Save electricity targets	The energy conservation targets for 2023 are 2% less than that in 2022.	-8.72%	1. Energy conservation implementation plan for 2024-2026: The annual electricity consumption does not exceed the EUI (Energy Utilization Index) in the base period year 2023 as the principle, and the EUI does not grow compared to the base period year as the electricity saving target. 2. The total upper limit of targets for 2024 is based on the principle of saving 2% compared to 2023.
Water Conservation Targets		12.24%	
Fuel saving goals		-4.47%	

## 3.1 Energy Resource Management

### 3.1.1 Energy Conservation Promotion Group







In order to smoothly promote the above plans and objectives, the Department of Administrative Management of Eximbank has set up an "Energy Conservation Promotion Group", with the Deputy General Manager of the Management Department as the convener of the group, and the heads of each responsibility area are convened to join the team. The group has established a regular management evaluation mechanism that regularly discloses the evaluation results and requires the unit to make improvements, and holds a meeting every six months to evaluate and review the implementation of energy-saving measures in each unit.



Manage content	Frequency of communication
Each branch shall control the use of electricity, water and oil on its own, and report the usage and fees to the Department of Administrative Management of the head office every month.	Monthly
The Department of Administrative Management announces the performance of each unit's responsibility area targets on a monthly basis	
The Department of Administrative Management reports the performance of each unit's responsibility area targets at the monthly operations meeting	
The Energy Conservation Promotion Group meets every six months to report on the implementation effectiveness of each unit's area of responsibility, and if the usage limit is exceeded, each unit is required to provide an explanation.	Semiannually

### 3.1.2 Energy Resource Target

Under the perfect evaluation system, Eximbank has generally achieved its own energy-saving, water-saving and fuel-saving targets in recent years, and the Department of Administrative Management and all branches have reported the previous year's usage in accordance with the regulations in the "Energy Conservation Reporting Website of Government Agencies and Schools" annually.

	 In 2021 Energy saving targets	 In 2021 Actual usage	 In 2022 Energy saving targets	 In 2022 Actual usage	 In 2023 Energy saving targets	 In 2023 Actual usage	Actual usage in 2023 compared to actual usage in the previous year
Electricity (degrees)	713,573	655,374	702,638	551,181	540,157	503,104	-8.72%
Water (degrees)	5,214	4,418	5,256	4,575	4,483	5,135	12.24%
Oil (litres)	11,011	7,631 (including 55 litres of diesel)	11,193	9,296 (including 49 litres of diesel)	9,110	8,880 (30 litres of diesel included)	-4.47%





Types of energy	Unit	In 2023	Types of energy	Unit	In 2023
Electricity	degree	503,104	Total energy usage	Heating value (kcal)	552,765,440
	Heating value (kcal)	432,699,440		GJ	2,314.429
Gasoline	litre	8,850	Energy consumption per capita	GJ / Person	8.902
	Heating value (kcal)	69,030,000			
Diesel fuel	litre	30	Energy intensity	GJ/Net income millions	0.829
	Heating value (kcal)	252,000			
Natural gas	degree	5,646	Note 1: The scope of energy consumption (GJ) statistics includes only the use of electricity, gasoline, diesel and natural gas. The coefficients are based on the 2021 Energy Statistics Handbook - Energy Product Units Parameters of the heating value table: Electricity power 860 kcal / kWh, car gasoline 7,80 kcal / litre, (imported) liquefied natural gas 9,000 kcal/m3, diesel 8,400 kcal/litre, with each kcal calculated as 4.187 (kJ), and 1,000,000 (kJ)=1(GJ).  Note 2: The inventory range is based on 260 people in 202.		
	Heating value (kcal)	50,814,000			

Energy conservation and carbon reduction are not only actions to protect the earth, but for businesses, they also help in sustainable development and reduce operating costs. The following table shows the ratio of energy expenses to operating costs in the past three years:

Unit: NT\$100,000

Item	Year		
	2021	2022	2023
Operating expenses	6,018.33	6,706.78	7,572.20
Energy costs	32.12	31.84	37.55
Proportion of operating expenses (%)	0.53	0.47	0.50

### 3.1.3 Specific Actions and Measures

In order to reduce energy consumption, Eximbank has taken many specific measures, such as controlling the use time of air conditioners and maintaining temperatures that are both comfortable and environmentally friendly. The bank reviews and announces the implementation status of energy conservation in each unit monthly. Staff are urged to implement these measures effectively, and audits and promotional activities are conducted. Any issues are discussed at the biannual energy-saving committee meetings, with a commitment to achieving environmental sustainability.

At the same time, specific targets for electricity, water, and oil usage are actively set, and practical measures are taken to achieve annual reductions as much as possible. In terms of electricity usage, there has been a significant reduction over the past three years, demonstrating a strong commitment to energy conservation and carbon reduction. The long-term goal is to reduce energy consumption and contribute to the protection of the Earth's environment.

#### Specific Measures for Energy Saving







### Electronic Official Documents

In response to the epidemic, the head office implemented working-from-home and the relevant information security and internal control operating procedures during this period. The electronic official document system is used for online signing of official documents as well, which not only reduced the risk of infection, but also saved the expenses on paper. In addition, to achieve economic efficiency and reduce the risk of employees carrying checks for external operations, vendor business expenses are paid using the "Internet Banking Enterprise Entrusted Payment" service of the Land Bank. This method will continue to be carried out in the future.



### Environmental Education

In order to achieve the goal of sustainable operation, we continue to integrate the concept of sustainability into the corporate culture, so that the executives, employees and other relevant shareholders have a considerable degree of recognition of environmental sustainability, and drive the company to move towards sustainable development.

To deeply embed the concept of sustainability into corporate culture, enhance employees' awareness of environmental protection and their sensitivity to financial sustainability issues, a 4-hour online environmental education video course is provided every year, covering topics from ocean preservation, net zero emissions and other sustainable environmental related issues. Through this advocacy education course, employees will pay more attention to ecological protection and sustainable management and develop a sense of recognition with the sustainability goals of Eximbank, so as to jointly fulfill the responsibility of protecting the global environment.

Course name	Number of participants	Course hours
Scenery and salt	265	0.5
Imagery of marine litter	265	0.5
Butterfly Resources and Conservation in Taiwan	265	1
Implement food safety management at source	265	1
Towards a net-zero era - the road to carbon reduction transformation for governments and enterprises	265	0.5
The impact of climate change on Taiwan's water resources	265	0.5

## 3.1.4 Greenhouse Gas Management

Carbon reduction and energy efficiency are global trends. Eximbank, as a state-owned bank, is committed to implementing environmental justice, energy conservation and carbon reduction policies. By providing transparent information and setting targets to reduce greenhouse gas emissions, Eximbank discloses the electricity and carbon emission data of its business units, and imports ISO 14064-1 for greenhouse gas inventory. Aligning with the "Taiwan 2050 Net Zero Carbon Emissions" goal, Eximbank completed the greenhouse gas inventory in 2023 and the verification in 2024 according to the plan of the Financial Supervisory Commission. The related plan was initiated ahead of schedule in 2022, and the ISO 14064-1 verification process continued to be implemented in 2023, along with internal training sessions. The plan is to complete a comprehensive verification by the end of June 2024 and to disclose carbon reduction targets and action plans starting in 2025.



## Implementing ISO 14064-1 Greenhouse Gases Inventory

Time	Content	Time	Content
2022/10	Establishment of the "Greenhouse Gases Inventory Promotion Group"	2023/7-8	Internal and external audits
2022/11	The first in-house training was held	2023/10-11	ISO 14064-1 Inventory Tool Making
2022/11	Consultant on-site inventory and questionnaire filling	2023/12	Conduct education training
2022/11	Completed the collection of information from the head office, four branches, and three overseas offices	2024/1	Inventory Standardized document production
2022/12	Program file production	2024/1-3	Headquarters and branches inventory operations
2022/12	Complete the report and inventory	2024/3-4	Internal verification job
2023/6	The second in-house training was held	2024/4-5	Preparation of inventories and reports
		2024/5-6	External verification job

## Greenhouse Gases Emissions

Project	Year	
	in 2022	in 2023
Scope 1 emissions (Unit: metric ton CO <sub>2</sub> e)	72.9370	95.5577
Scope 2 emissions (Unit: metric ton CO <sub>2</sub> e)	276.0103	247.9134
Scope 3 emissions (Unit: metric ton CO <sub>2</sub> e)	58.2882	60.4210
Total emissions (Unit: metric ton CO <sub>2</sub> e)	407.2355	403.892
Emissions per capita (Unit: metric ton CO <sub>2</sub> e / person)	1.5970	1.5534





## 3.2 Water Resource Management

According to the United Nations, 90% of the world's natural disasters in the past 10 years are water-related. Climate change has increased the number of water-scarce areas, making the already water-scarce areas even more scarce. In recent years, frequent floods have damaged water supply systems, sanitation facilities, sewage resources, etc., making water availability increasingly unpredictable. Taiwan is also deeply affected by climate change, in this regard, Eximbank actively promotes the concept of water conservation, hoping that the members of the organization can work together towards the goal of water conservation and jointly solve the problem of water shortage.

### 3.2.1 Water Resource Use

In terms of water resources, all water sources currently come from third-party water provided by water companies, and in the future, we will continue to promote the concept of water conservation internally and adjust relevant regulations on a rolling basis to save tap water use. We hope to highlight our proactive approach to water resource management and our passion for contributing to the Earth through more measures.

In terms of drainage, the used domestic sewage is legally discharged into the sewage sewer system or the discharge system required by the region, and all of them comply with the discharge water standards and specifications of domestic sewage.

Water consumption in 2023 increased by 12.24% compared to 2022, mainly due to the increase in business growth, as well as the increase in average temperature in Taiwan, leading to increase in operation hours of central air conditioning, resulting in an increase in cooling water usage. The impact of the COVID-19 epidemic has also led staff to develop the habit of washing hands, which also led to increase of water consumption.

#### The Water Consumption of Eximbank in the Past Three Years

Water	Year		
	2021	2022	2023
Third-party water use (unit: degree)	4,418	4,575	5,135
Number of employees	245	255	260
Per capita water consumption (unit:kWh/person)	18.03	17.94	19.75

### 3.2.2 Water Resource Management and Measures

The Eximbank implements a number of specific water-saving policies to improve the problem of water shortage, including the use of sensor faucets and water-saving toilet equipment, specific reduction of water consumption, and special personnel to check whether there is any leakage at any time. In addition, the responsible unit will analyze the water consumption after receiving the water and electricity bill every month, and review the water use situation in the energy saving team meeting every six months. At the same time, it also actively advocates water-saving measures, and posts water-saving slogans in bathrooms to advocate the concept of water conservation.

#### Specific water-saving measures

- Use sensor-operated faucets
- Use a water-saving toilet device
- Dedicated personnel to check whether there is any water leakage at any time

#### Review of water targets

- Hold a half-year meeting of the Energy Conservation Group to review the actual and target water use.
- After receiving the utility bill, compare and analyze it with the bills from the same period over the past year to ensure there are no abnormal water usage patterns. Record the findings monthly in the energy-saving execution section of the employee area and publish the water usage status.

#### Promote the concept of water conservation

- Post water-saving slogans



## 3.3 Waste Management

### 3.3.1 Waste Management Concepts and Measures

To achieve sustainable use of resources and ensure proper disposal of waste, we take the initiative to manage waste, implement resource recovery and classification from source management, and regularly record the amount of waste to minimize the pollution to the earth.



#### Thorough garbage sorting

Cooperate with the garbage classification of the building



#### Reduce waste generation

Disposable cutlery, paper cups, etc. are not provided

### 3.3.2 Resource Recovery and Disposal

Compared with the complexity of the manufacturing industry, the main types of waste in the financial services industry are only domestic waste and general resource recycling, and do not contain hazardous waste. The related waste is recycled by professional manufacturers.

Recycling category	The amount of resources recovered (kg)
Paper containers (including beverage boxes, foil packets, memo boxes and various types of paper tableware)	1,670.91
PET bottles/plastics	747.011
Iron and aluminum cans	178.61
Glass	217.96
Electricity cells	21
Compact disc	1.42
Paper (newspapers, photocopying paper, kraft paper, cardboard boxes, etc., excluding toilet paper, heat-sensitive paper, plastic glossy waste paper)	14,526.23

### 3.3.3 Food Waste Recycling

In addition to meeting the dietary habits and needs of employees, the staff canteen also reduces carbon emissions through providing meat-free or no red meat diet. To avoid waste, we carefully evaluate and purchase the appropriate amount of ingredients before cooking. Any uneaten meals can be packed by employees to promote the concepts of 'cherishing blessings, valuing food, and not wasting.' Additionally, any leftover kitchen waste is drained of water and handed over to the designated vendor for proper disposal, effectively reducing kitchen waste.



## 3.4 Green Procurement and Supply Chain Management

### 3.4.1 Green Procurement

Procurement is an integral part of corporate operations, and if green procurement can be gradually implemented, it will lay the foundation for the sustainable development of the enterprise. Therefore, we gradually incorporated green procurement into business operations, and actively cooperated with the government's green procurement promotion plan, and achieved green procurement target in 2023, with green procurement achievement rate of 100%. And in terms of procurement and contracting, we will give priority to local procurement as the principle and will strive to complete relevant disclosures in the future. In addition, we also strive to separate and recycle resources in our offices, and use office supplies with environmental labels, such as recycled paper, photocopiers, list players and toner cartridges, to reduce environmental load and build a society with sustainable use of resources.

(Unit: New Taiwan Dollar)

Category	Year		
	2021	2022	2023
Green procurement amount (NTD)	4,303,810	4,679,733	3,922,821
Green procurement Specified procurement item achievement	100%	100%	100%

Product Category/Green procurement project		Year	
		in 2022	in 2023
Recycling products	Tissue paper	109,615	88,195
	Recycle toner cartridges	361,620	122,120
Information products	Electricity mainframe	1,462,419	2,530,332
	Monitor	276,980	410,238
	Notebook computer	100,532	-
	Video output device	1,922,400	572,538
	Original toner cartridges	293,867	38,548
	Office paper	152,300	160,850
The total purchase amount		4,679,733	3,922,821

### 3.4.2 Supply Chain Management

As a 100% state-owned export credit institution held by the government, Eximbank selects suppliers in accordance with the Government Procurement Law and other relevant regulations, strives for fair and open procurement procedures, and suppliers should be diversified and not limited to regions, in order to safeguard the public interest and the principle of fairness and reasonableness. The types of suppliers include office supplies, construction and repair, and equipment supply. In addition, manufacturers shall not be treated differently without justification. Contracts with suppliers are also modelled by the Public Works Commission of the Executive Yuan, which may terminate and suspend the execution of contracts in cases of serious violations of relevant laws and regulations such as environmental protection, Occupational Safety and Health, or labor human rights.





# CH-4

# Talent Management

Eximbank places great importance on human resource management, treats all employees fairly, supports and practices human rights policies, promotes harmonious labor-management relations, and fosters employee cohesion. The company protects the rights and interests of both parties in accordance with relevant laws and regulations, and actively provides training courses and benefits to ensure that employees provide professional services in a high-quality environment.

Highlights 1

In 2023, 1 person was selected as the 2023 Model Public Servant of the Ministry of Finance; 3 outstanding financial personnel; and 1 integrity model.

Highlights 2

In 2023, a total of NTD4,289,262 subsidies were provided to employees.

Highlights 3

In 2023, there were a total of 36 professional and legal special lectures, an increase of 28.57% compared with 2022 with a 101 hours of participation. A total of 3,028 participants participated in the training, which is an increase of 47.35% compared with 2022.

Highlights 4

The number of fatal occupational safety incidents in 2023 is 0.





# 4.1 Human Resources

## 4.1.1 Talent Recruitment

### Recruitment channels

Through the procurement process of public bidding, non-bank professional institutions are entrusted to handle the screening of new recruits in the form of open screening.

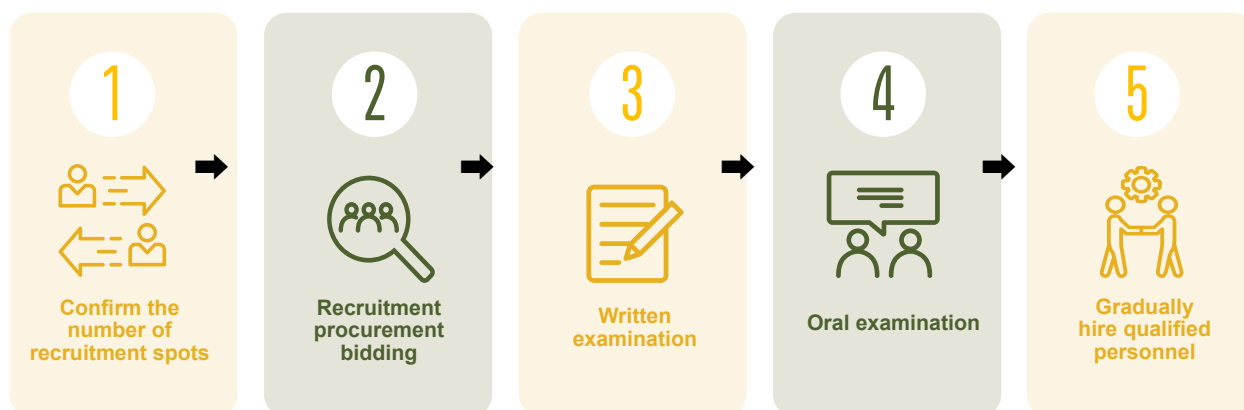
### Ways of publicity

Publicity of screening information through the Human Resources Bank, the General Office of Human Resources and Administration, the official website, and the publication of newspapers.

### Recruitment target

Graduates from domestic and international universities with majors in finance, law, management, or other related fields will have their educational and experience qualifications determined according to the requirements of each job level.

### Talent acquisition process



## 4.1.2 Human Structure

As of the end of 2023, the number of employees of Eximbank was 260, including 260 full-time employees, accounting for 100% of the total number of employees, and there were no significant fluctuations in the number of employees during the reporting period and compared with the previous year. The business base of Eximbank is in Taiwan, so the employment targets are mainly Taiwanese employees, and the local employment ratio is more than 98.85%. In addition, there are a total of 6 employees in the overseas office. Eximbank complies with the labor-related laws and regulations of the competent government authorities, and has never hired child labor. If we employ foreigners, we would handled in accordance with the relevant regulations of local laws and regulations.

The ratio of male to female employees is approximately 37.31:62.69, and the proportion of female employees is higher than that of men, which clearly provides the implementation of gender equality and diversified workplace competitiveness. The education level of the staff employed by Eximbank is the highest in master's degree, and there are also personnel with different education levels from master's degree to high school, all of whom have different vacancies according to the needs of each business. In addition, in 2023, a total of 32 non-employee workers, including professionally outsourced drivers, security personnel, cleaning personnel, kitchen personnel, and general staff, etc., did not have significant fluctuations in the number of non-employee workers during the reporting period and compared with the previous period.

The following is the human resource structure statistics of employees in 2023.

Category	Constituencies	Male		Female		Work area/ Taiwan		Work area/ Thailand		Work area/ Indonesia		Working area/Czech Republic	
		NO.	Accounted for the proportion of this group	NO.	Accounted for the proportion of this group	NO.	Accounted for the proportion of this group	NO.	Accounted for the proportion of this group	NO.	Accounted for the proportion of this group	NO.	Accounted for the proportion of this group
Employment contract	Permanent employment of employees (also known as indefinite indentured labor)	97	37.31%	163	62.69%	254	97.69%	2	0.77%	2	0.77%	2	0.77%
	Temporary employees (or fixed-term indentured labor)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
	Non-guaranteed hours employees (or gig economy)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Employment type	Full-time (or full-time labor)	97	37.31%	163	62.69%	254	97.69%	2	0.77%	2	0.77%	2	0.77%
	Part-time (or part-time labor)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%





## 2023 Employee Management Class Distribution

\*This management rank is a position at the level of section chief (including acting section chief) or above

Age/Gender	Management		Non-Management	
	Male	Female	Male	Female
> 50 years old	16	32	10	17
30~50 years old	5	8	56	90
< 30 years old	0	0	10	16
Total	21	40	76	123



### The total number of new employees divided by age in 2023

Age/Gender		New				Turnover			
		Male	%	Female	%	Male	%	Female	%
 Taiwan	<30 years old	3	30%	6	37.5%	1	10%	2	12.5%
	30~50 years old	5	8.2%	5	5.1%	1	1.6%	3	3.1%
	>50 years old	0	0	0	0	0	0	1	2%
 Thailand	<30 years old	0	0	0	0	0	0	0	0
	30~50 years old	0	0	0	0	0	0	0	0
	>50 years old	0	0	0	0	0	0	0	0
 Indonesia	<30 years old	0	0	0	0	0	0	0	0
	30~50 years old	0	0	0	0	0	0	0	0
	>50 years old	0	0	0	0	0	0	0	0
 Czech Republic	<30 years old	1	10%	0	0	0	0	0	0
	30~50 years old	0	0	0	0	0	0	0	0
	>50 years old	0	0	0	0	0	0	0	0
Total		20				8			
Newcomer/Turnover		7.69%				3.08%			

### Employment of Persons with Disabilities and Indigenous Peoples

Year		2021	2022	2023
Number of employees		245	255	260
Aboriginal	Number	1	2	2
	Percentage	0.41%	0.78%	0.77%
Physical and mental disabilities	Number	6	6	8
	Percentage	2.45%	2.35%	3.08%



## 4.2 Compensation and Benefits

### 4.2.1 Remuneration System and Performance Evaluations

#### Salary of Full-Time Non-Supervisory Staff

Item	2021	2022	2023	Percentage increase over previous year (%)
Number of full-time non-supervisory staff	181	187	196	4.81%
Average salary of full-time non-supervisory staff (thousand dollars)	1,100	1,096	1,061	-3.19%
Median salary of full-time non-supervisory staff (thousand dollars)	1,004	1,020	1,020	0%

#### Main Items for Performance Evaluation Assessment

<b>Seniority</b>	Promotion to a higher grade is subject to meeting the minimum seniority required for each grade
<b>Annual appraisal</b>	For those with a basic promotion tenure of three years, the annual performance evaluations for the past three years should include one year rated as Grade A and the remaining years as Grade B or above. For those with a basic promotion tenure of two years, the annual performance evaluations for the past two years should include one year rated as Grade A and one year as Grade B or above.
<b>Incentive</b>	According to the verification of internal merit in the grade, the score is added (subtracted).
<b>Business test</b>	When the 8th grade is promoted to the 9th grade, after serving the 8th grade for one year, the applicant must first take a Promotional Examination, and only those who pass the test will be applicable for promotion

#### Main Items for Performance Evaluation Assessment

<b>Professional competence and work ethics</b>	Applicable to staff promoted to grades 10, 11 and 12. The supervisor evaluates moral integrity, business performance, work attitude, professional ability, leadership ability, communication and coordination
<b>Training</b>	Those who have completed the basic hours of annual training and participated in a certain number of hours of night and holiday training will be awarded additional points
<b>License</b>	Those who have obtained the professional and technical qualification certificate related to the business issued by the civil society examination will be awarded additional points
<b>Research development</b>	Research and development works or papers, and those who have received awards and have a case, will be given additional points





## A Brief Description of the Staff's Assignment to an Overseas Representative Office

The director of the overseas office of Eximbank shall be appointed by the domestic and foreign authorities for a term of three years, which may be extended for one year if necessary, and shall be extended for a maximum of two extensions. However, due to business or environmental needs, they may be reassigned at any time, regardless of the term limits. Employees are locally hired who are familiar with the local language and script to assist the office director in gaining a deep understanding of the local political and economic situation, customs, regulations, and other matters.



### 4.2.2 Employee Benefits

Items	Applicants	Subsidy amount (NT\$)
Medicaid	29	232,937
Maternity allowance	6	30,000
Weddings and funerals	14	232,000
Educational subsidy	91	228,500
Domestic leave allowance	215	2,925,825
Retirement (resignation) benefits	8	640,000
<b>Total</b>	<b>363</b>	<b>4,289,262</b>



#### Insurance & Grants

##### Purchase accident insurance

- Each year, the Employee Welfare Committee shall purchase a group accident insurance of NT\$1 million from the insurance company on behalf of each employee, and the premium shall be subsidized by the Employee Welfare Committee, and the beneficiaries of the insurance shall be limited to the employee himself or his or her family, provided that the total amount of subsidy in each year shall not exceed 20% of the total income of the benefit in that year, otherwise the insured amount would be reduced proportionally.

##### Employee grants

- Marriage subsidy for employees
- Maternity allowance for the employees or their spouses
- Education subsidy for employees' children
- Hospitalization subsidy for employees and their dependents: If the actual hospitalization medical expenses exceed NT\$10,000, 20% of the actual paid amount will be subsidized. This includes necessary expenses not covered by National Health Insurance. Applications must be submitted within three months after discharge. The total annual subsidy per employee is limited to NT\$15,000.
- Death subsidy for employees, their parents, spouses, or children
- Disability subsidy for employees in case of partial or total disability
- Subsidy for departing employees (including retirees)



#### Sports entertainment

##### Cultural and leisure activities

- It is also the source of funding for self-organized activities organized by the competent authorities for colleagues to form teams to participate in sports activities
- Allocate sports activities every year to plan staff sports and outings





### Physical and mental health

#### Procreation

- A lactation room is set up for women who wish to breastfeed, and breastfeeding breaks are considered to be working hours
- Provide childcare services for employees, and sign childcare service contracts with Methodist Kindergarten, the Management Office of the National Chiang Kai-shek Memorial Hall and the State-owned Property Administration of the Ministry of Finance

#### Health care

- Partnered with InfoLink Management Consultants Limited to provide employee therapy services
- It is planned to automatically activate the electricity related programs of colleagues at two times a day, so that colleagues can follow the activities, namely 11:10 a.m. and 3 p.m. National Health Exercises
- There are massage chairs, billiard tables and other stress-relieving equipment and yoga venues for colleagues to use during breaks
- During the epidemic, vaccination leave was provided to employees to strengthen their willingness to be vaccinated.



Massage chairs provide stress relief for employees



Set up a billiard table for colleagues to have fun during breaks

## 4.3 Talent Cultivation

Believing that training is the key to sustainable development, Eximbank is committed to improving the professionalism of its colleagues and grasping financial business trends. The bank not only offers professional knowledge courses but also focuses on developing soft skills. In response to climate change, it arranges relevant training. The bank also values employees' career development by providing diverse training channels, encouraging participation in various courses, certification exams, and language learning. Additionally, it has established a digital learning system, enabling employees to continue their education anytime and anywhere, thereby creating a competitive advantage for both individuals and the financial system.

### 4.3.1 Improve Training and Development

Human resources are the most important assets of the bank, and a crucial factor in successfully fulfilling its mission as a specialized bank. To fully utilize its functions, the bank places great emphasis on staff development. Each year, it allocates funds for education and training, certification subsidies, and on-the-job training subsidies, encouraging employees to actively participate in educational programs.



Training hours	2021		2022		2023	
	Supervisors	General position	Supervisors	General position	Supervisors	General position
Average number of hours for women	39.74	36.68	33.08	42.22	37.78	42.33
Average number of hours for men	43.72	39.38	30.33	42.96	30.28	39.03
Total average number of hours for all employees	38.42		40.11		39.70	

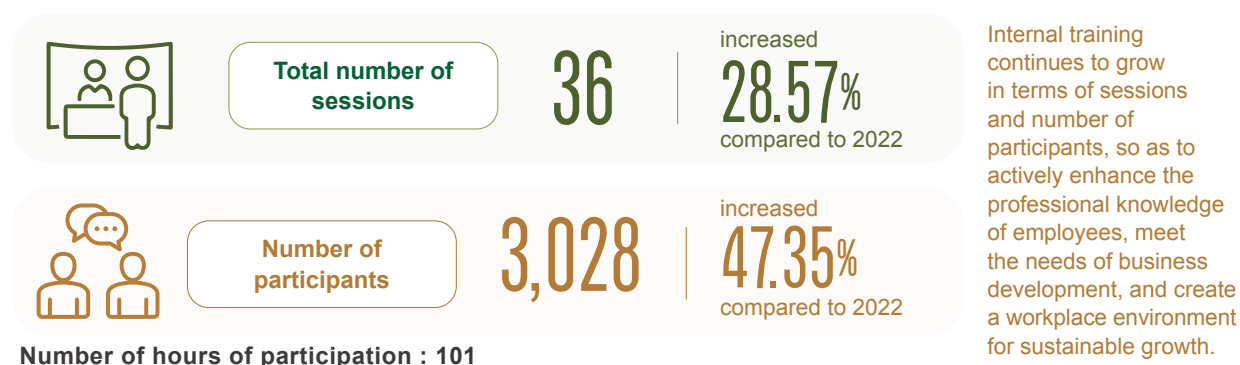
Unit: New Taiwan Dollar

Professional license subsidy	2021	2022	2023
Number of people on the subsidy	51	86	62
Amount of subsidy	56,772	100,875	131,093

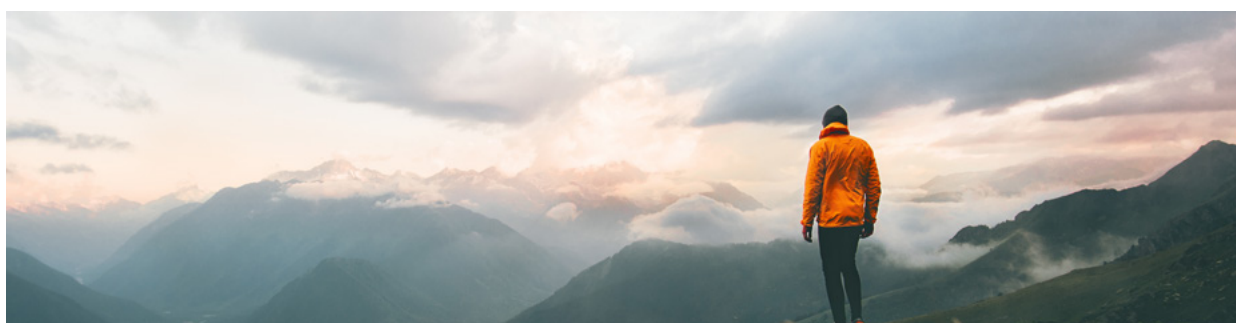
### 4.3.2 Training Courses

The training courses are divided into three types: internal training, external training and seminars. In terms of internal training courses, a digital online learning platform has been established so that colleagues can improve their professional skills and qualities at any time without being limited by time and space. In terms of career development, we also plan courses such as workplace communication, and formulate an annual special lecture course plan according to the needs of each unit every year, and plan our own special training courses, and hire experts and scholars to teach.

In terms of internal trainings, the 2023 self-organized professional and legal special presentations are as follows:



In terms of external training, in line with the content of the courses offered by the Taiwan Academy of Banking and Finance, including courses on anti-money laundering and combating terrorist financing, core talents in the banking industry, IFRS, financial senior management training, information-related, and derivative financial products, staff are able to register on their own.



## 4.4 Communication and Interaction

### 4.4.1 Labor-Management Communication Channels



Regular labor-management meetings and employee communication meetings are held, labor-management are held every three months, focusing on discussions of various internal topics. The discussion topics in 2023 meetings included the replacement of old official vehicles, explanations of the pension system, and health-related seminars. There were no labor disputes in 2023. Employee communication meetings are held annually, and since 2020, an 'Eximbank Employee Opinion Mailbox' has been set up for employees to promptly report issues. No complaints were received in 2023.

### 4.4.2 Satisfaction Survey

In order to effectively understand the employees' recognition of the key factors related to the systems, operating methods, and business processing of each department, Eximbank conducts internal satisfaction surveys of employees every six months, and randomly sends anonymous questionnaires to employees, so as to collect the opinions of employees of all units of the Bank on each department, as a reference for the business improvement. In 2023, a total of 312 questionnaires were sent out in the internal satisfaction survey, and 275 valid questionnaires were received.

## 4.5 Occupational Health and Safety

Employees are important assets. In order to effectively take care of the safety and health of employees, Eximbank spares no effort to formulate the "Occupational Safety and Health Management Plan" every year. In addition, we handle matters such as national health insurance, labor insurance, and pension contributions in accordance with the law, regularly handle employee health examinations, provide preferential group medical and accident insurance, continuously improve workplace safety and health, and provide employees with a healthy, safe and worry-free working environment.





## Occupational Safety and Health Management Plan: Four Major Projects



**Occupational safety and health related programs**



**Occupational safety and health training plan**



**Automated inspection plan**



**Emergency contingency plan**

### 4.5.1 Occupational Safety Training

Eximbank implements the "Occupational Safety and Health Management Plan" every year to implement occupational safety management and enhance employees' safety awareness. In cooperation with the fire department, the bank conducts biannual occupational safety training sessions. These sessions cover topics such as office fire prevention and evacuation safety, fire safety awareness, and fire emergency response knowledge, along with practical fire drills. Additionally, automated external defibrillators (AEDs) are installed on the seventh and eighth floors of the headquarters.

There were no fatal occupational safety incidents in 2023.



Automatic external defibrillator (AED) installed by the head office of Eximbank

### 2023 Occupational Safety Training Training

#### Self-defense fire fighting formation drill (first half of the year)

- In-Person training: June 13, 2023  
22 people
- Field drill: June 21, 2023  
17 people



#### Self-defense fire training (second half of the year)

- Field drill: November 23, 2023  
34 people





## 4.5.2 Employee Health Care

In order to take care of the physical and mental health of employees, Eximbank hold regular employee health check-ups, so that employees can obtain accurate information on prevention and health care.

### Health checks



Over 40 years old

23

Under the age of 40

19

#### Number of males



Over 40 years old

27

Under the age of 40

36

#### Number of females

Note: Excludes overseas employees

In order to take into account the physical and mental health development of employees, Eximbank also cooperate with consultants to provide employees with consultation services, a total of 2 employees participated in the consultation service, and the participation hours totaled 2 hours in 2023.



Tainan Branch Pingshi Park Pure Heart Energy Walking

## 4.5.3 Human Rights Protection and Friendly Workplaces

### Human Rights Policy

Eximbank promotes a friendly workplace in three aspects: work, life and treatment.

#### Work

Comply with the Labor Standards Act and other relevant regulations to protect the labor rights and interests of employees.

#### Three-way to friendly workplace

#### Treatment

Guarantee of equal rights of employees: Establish a gender-friendly working environment and system, fully employ people with disabilities, hire indigenous employees to promote equal work rights of ethnic groups, and implement policy objectives to take care of potentially disadvantaged groups.

#### Life

In order to take care of the physical and mental health of employees, we hold regular employee health examinations and provide psychological counseling services, so that employees can obtain accurate information on prevention and health care.



Eximbank is committed to building a gender-friendly working environment and system, conducts gender equality-related training and training courses every year, introduces gender equality courses in the training of new employees, and advocates gender-related issues in the employee corner from time to time.

In 2023, there were no human rights violations, child labor, violations of indigenous rights, and no discriminations.

Training hours on human rights issues	2023		
	Male	Female	Overall
Training hours on human rights issues	60	136	198
Total number of employees trained in human rights	30	68	99
Total number of employees	97	163	260
Percentage of employees trained in human rights training	30.93%	41.72%	38.08%

Human rights issues	Enforcement measures
<b>Gender equality</b>	<ul style="list-style-type: none"> <li>Conduct training courses related to gender equality</li> <li>Introduce gender equality courses in the training of new employees</li> <li>Irregularly promote the concept of sexual equality</li> </ul>
<b>Home care</b>	<ul style="list-style-type: none"> <li>Comply with relevant regulations such as the Labor Standards Act</li> <li>Set up a nursing room to provide safe and flexible breastfeeding space and measures</li> <li>Family care leave is provided</li> </ul>
<b>A diverse and inclusive workplace environment</b>	<ul style="list-style-type: none"> <li>Set up Sexual Harassment Complaint Review Committee</li> <li>Set up a complaint hotline and electronic mailbox for the prevention and control of sexual harassment</li> <li>There is information on the prevention and control of sexual harassment on the official website and internal staff corner</li> <li>Strengthen advocacy for sexual harassment prevention and control measures</li> <li>The number of employees with disabilities is 8</li> <li>Number of Indigenous people employed: 2 people</li> </ul>
<b>Forced labor and overtime</b>	<ul style="list-style-type: none"> <li>There were no overtime work in 2023</li> </ul>

### Channels for the Prevention and Control of Complaints about Sexual Harassment



**Grievance Line (02) 2395-9301**

**Grievance fax (02) 2394-9421**



**Grievance mailbox**

**pn@eximbank.com.tw**

In order to establish a friendly workplace and protect women's right to breastfeed in public places, a nursing room is set up and breastfeeding time is regarded as work time. To allow employees to confidently raise the next generation and balance work and family responsibilities, employees can apply for parental leave without pay until their children reach the age of three, and all applications are approved. In 2023, two employees applied for parental leave without pay, one of whom was due to return to work, and one employee returned to work in 2023.

Employees can apply for family care leave, menstrual leave, marriage leave, prenatal leave, maternity leave, abortion leave, paternity leave and vaccine leave in accordance with regulations, and the aforementioned leave were not considered as a secondary consideration for employee evaluation. Employees may take family care leave when they need to take care of their family members in case of vaccination, serious illness or other serious accidents. The number of family care leave is included in the calculation of personal leave, and the annual limit is limited to seven days. Eximbank's family care leave does not deduct salary or performance evaluation.

Family care leave	Male	Female
<b>Number of applicants in 2019</b>	3	10
<b>Number of applicants in 2020</b>	3	13
<b>Number of applicants in 2021</b>	8	24
<b>Number of applicants in 2022</b>	13	24
<b>Number of applicants in 2023</b>	8	25




CH-5

# Social Contribution

As a state-owned bank, in addition to sparing no effort to cooperate with the government in economic and trade policies and providing financial services, Eximbank also implements sustainable responsibilities, makes good use of resources, and actively provides a lot of assistance in community environmental protection, public welfare activities and care for underprivileged groups. The bank aims to set an example and inspire others, thereby enhancing social awareness among the general public in the country.

## Highlights 1



The total amount of public welfare procurement is about NTD1.45 million

## Highlights 2

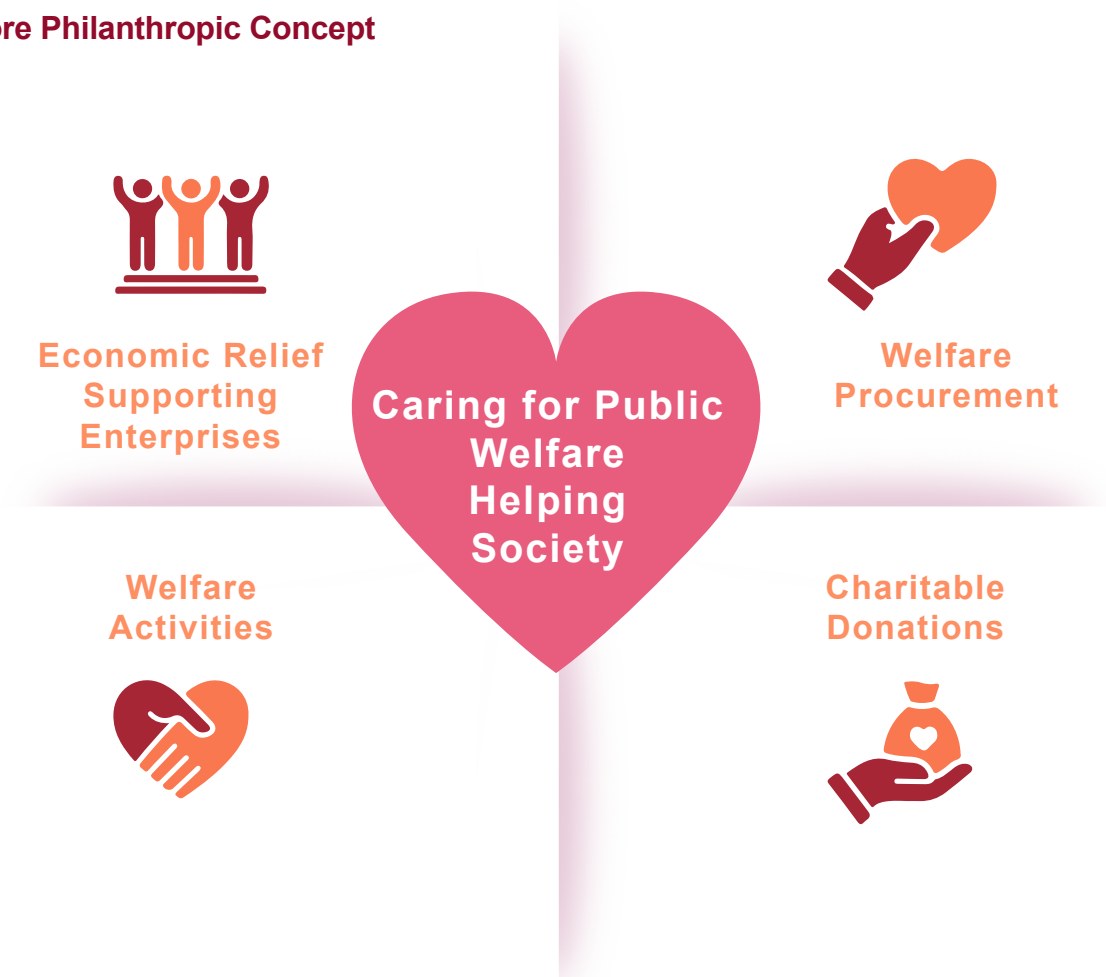
A total of 276 sets of information equipment were donated to students in rural areas





## 5.1 The Concept of Public Welfare

### Core Philanthropic Concept



## 5.2 Social Inclusion

### 5.2.1 Bailing out the Economy and Supporting Enterprises

In addition to proposing the "Epidemic Relief Plan" for credit and export credit insurance customers during the epidemic, Eximbank also assisted Taiwan enterprises to grasp the business opportunities of transformation and upgrading in the post-epidemic era, not only actively caring for enterprises affected by the epidemic, but also providing relief and revitalization to various ministries and associations.

In response to the repeal of the "Special Act for Prevention, Relief and Revitalization Measures for Severe Pneumonia with Novel Pathogens" on 1 July 2023, the implementation period of the "Epidemic Relief Plan" of Eximbank were ended on 30 June 2023. However, in accordance with the relevant financial assistance measures taken by The Bankers Association Of The Republic Of China to reduce the financial burden of enterprises in response to the buffer period of recovery after the epidemic, Eximbank provides relief measures for the extension of the loan principal due before December 31, 2024 for 6 months for enterprises that are willing to continue to operate and pay interest normally. As of the end of December 2023, Eximbank had handled a total of 687 credit relief and revitalization plans, with an amount of NTD77.490 billion.





## 5.2.2 Public Welfare Procurement

### Procurement Object

Taiwan Youguo fresh seller enterprise group buying platform

### Public Welfare Procurement Project

Golden diamond pineapple gift box

### The Amount of the Purchase

NTD 153,000

### Social Benefits

Share the healthy and delicious local specialties planted by fruit farmers, and hope to set an example and lead the way, participate in the grand event with the public, and support domestic farming together



### Procurement Object

The Academy of Agricultural Sciences has a pre-order platform named "Hao Shilian Lianlian"

### Public Welfare Procurement Project

Atemoya

### The Amount of the Purchase

NTD 174,000

### Social Benefits

Assist in alleviating the imbalance between production and marketing, actively join the ranks of buying atemoya, relieve the pressure of fruit farmers, and contribute to Taiwan's agriculture



### Public Welfare Procurement Project

Business promotion materials

### Beneficiaries

Igown Creative Printing Sheltered Workshop

### The Amount of the Purchase

About NTD 608,000

### Social Benefits

Through public welfare procurement, we help people with disabilities to stay employed and improve their living ability







### Public Welfare Procurement Project

Business promotion materials

### Beneficiaries

Vikai Creative Printing Sheltered Workshop

### The Amount of the Purchase

About NTD 278,500

### Social Benefits

Through public welfare procurement, we help people with disabilities to stay employed and improve their living ability



### Public Welfare Procurement Project

Business promotion materials

### Beneficiaries

The Foundation for the Development of Social Welfare Foundation

### The Amount of the Purchase

About NTD 145,200

### Social Benefits

Through public welfare procurement, we help people with disabilities to stay employed and improve their living ability



### Public Welfare Procurement Project

Purchase printer cartridges for recycling

### Beneficiaries

Taoyuan Private Spinal Cord Injury Potential Development Center

### The Amount of the Purchase

About NTD 95,000

### Social Benefits

Through public welfare procurement, we help people with spinal cord injuries to continue to find employment and improve their living ability



Purchase printer environmentally friendly recycled toner cartridges



5.2.3 Donations

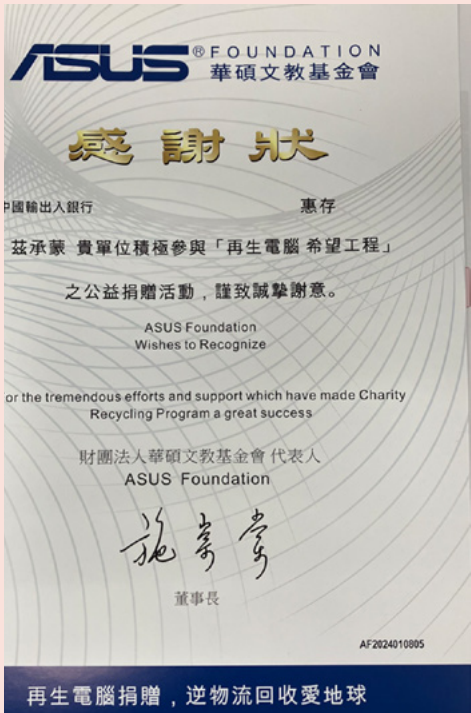
The origin of the donation	Donation project	Number of donations	Beneficiaries
In February 2023, a 7.8 magnitude strong earthquake struck Turkey, causing serious local casualties.	Cash donations	NT\$400,000	Victims of the disaster in Turkey
It is hoped that old electricity, monitors, printers and other equipment were replaced to improve the gap in educational resources	After checking the old computers, monitors, and printers that have reached the replacement period, those still had good performance were selected for donation	<ul style="list-style-type: none"> <li>● 77 (PC) desktop computers</li> <li>● 97 (LCD) monitors</li> <li>● 9 Printers</li> <li>● 51 keyboards</li> <li>● 42 mice</li> </ul>	It is planned and donated by the ASUS Cultural and Educational Foundation to rural students



Receipt of earthquake donation in Turkey



Information equipment donation receipt (excerpt)



5.2.4 Public Welfare Activities

Based on the concept of caring for the society and giving back to the society, Eximbank actively uses its own resources to provide various assistance for community environmental protection, public welfare activities and underprivileged groups. Adhering to the spirit of taking from the society and using it for the society, we continued to contribute to public welfare activities and energy conservation and carbon reduction. In 2023, we continued to hold the "Yangde Good Neighbors, Donate Blood for Love" campaign, as well as carry out public welfare activities such as beach clean-up and community walking, so as to enhance our corporate image and enhance social recognition through these actions.



## Wanli Beach Handles Beach Cleaning Activities

Organized Internally

### Event Details

On October 21, 2023, Eximbank organized a beach clean-up activity at Wanli Beach, allowing colleagues to understand the actual situation of marine pollution and make a contribution to the protection of the ocean.

### Social benefits

A total of 94 employees and their family signed up for the event.



Wanli Beach handles beach cleaning activities

## "Pingshi Park Pure Heart Energy Walk", "Anping Yanshui Creek clean Embankment"

Organized Internally

### Event Details

Through the concerted efforts of everyone to pick up garbage, in addition to environmental protection, they can also strengthen their health, concretely practice the responsibility of environmental friendliness, and care for the beautiful nature of Taiwan.

### Social benefits

A total of 9 employees signed up.



Anping Yanshui Creek clean Embankment



Pingshi Park Pure Heart Energy Walk





## "Good Neighbors of Yangde United for Love Blood Donation" campaign

Nanhai Blood Donation Room of Taipei Blood Donation Center

### Event Details

On 26 September 2023, the Securities and Futures Institute and the Central Deposit Insurance Corporation, Taiwan were invited to co-organize the "Yangde Good Neighbors United Blood Donation" event.

### Social benefits

As of 26 September 2023, a total of 111 people have donated blood and 173 bags have been donated



"Yangde Good Neighbors United Blood Donation" activity

## Paintings on Display

Eden Social Welfare Foundation

### Event Details

Continue to support the "Eden Social Welfare Foundation" to organize the painting exhibition.

### Social benefits

The painting exhibition was held in the company, hoping to enrich the delicate artistic creation of the Eden Social Welfare Foundation painters, cultivate the mood of colleagues, and also hope to help the Eden Social Welfare Foundation grow stronger.

