

Sustainable Development Roadmap for Listed Companies Strategy Implementation Plan

**Financial Supervisory Commission(FSC),
Chinese Taipei
October 17, 2022**

2050 Net-zero Transition

Cooperating with the world and striving for a net-zero future together

Turn crises into opportunities
Grasp business opportunities

Climate emergency : a global challenge

Global temperature will rise by 1.5 degrees within 20 years

Net-zero emissions : an international trend

136 countries around the world have declared net-zero emissions targets

Green supply chain and carbon tariff

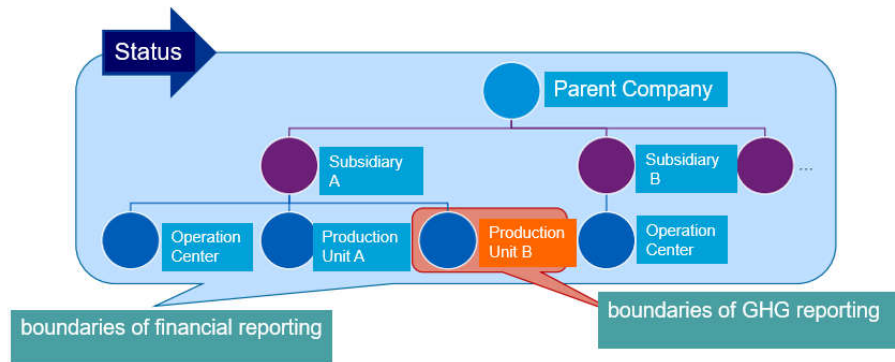
As an export-oriented country, Chinese Taipei's total value of exports in 2021 reached US\$446.3 billion

Accounting for about 57% GDP

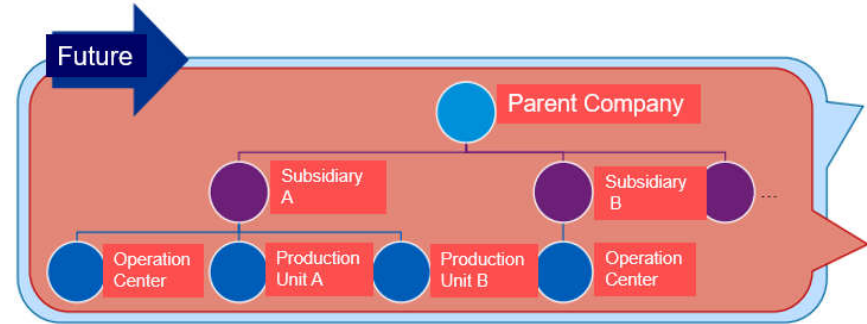


Sustainable Development Guidemap

The Greenhouse gas(GHG) inventory system- Boundaries



Parent company only



Consolidated

Sustainable Development Guidemap

Vision & Goals



2027

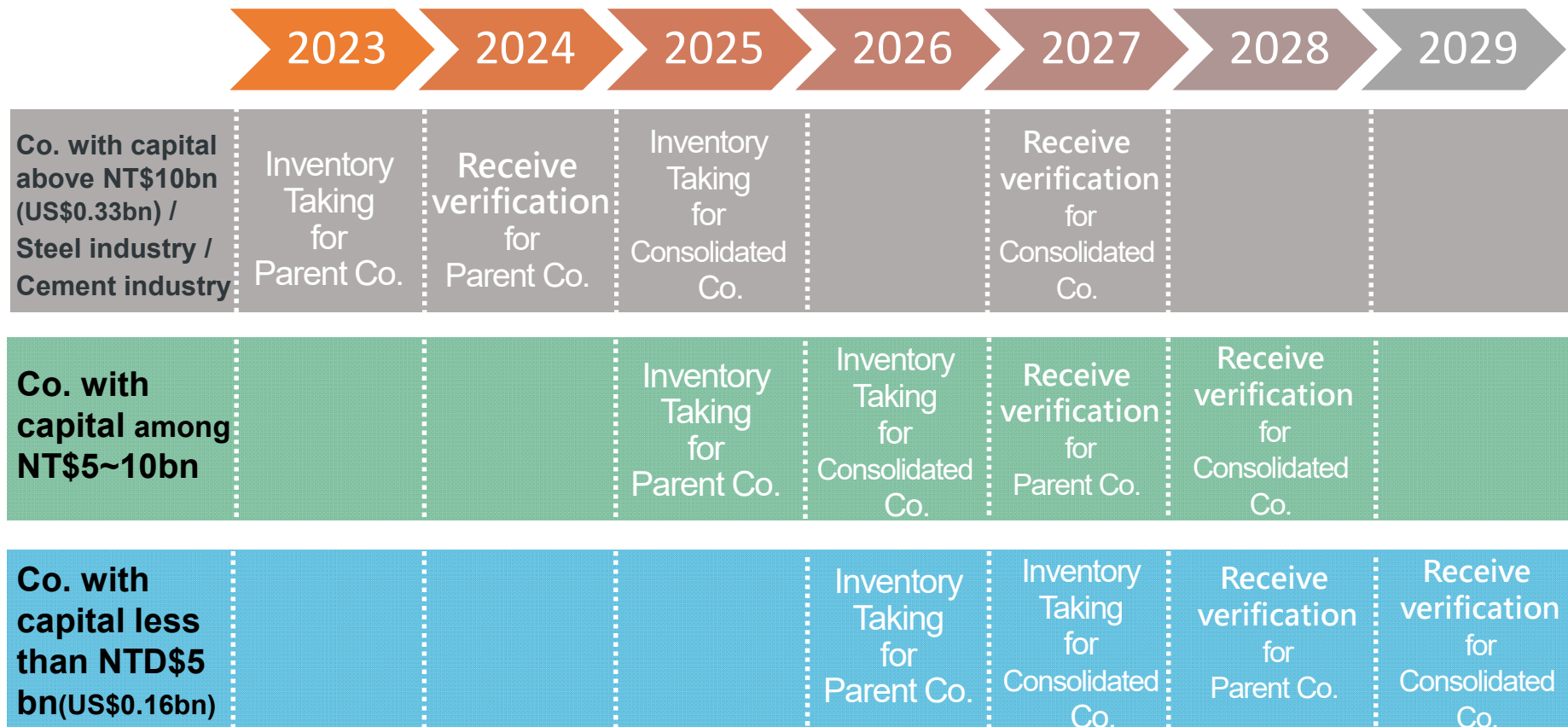
All listed companies
Complete **GHG emissions inventory taking** (the reporting boundaries should be the same as the consolidated financial statements)

2029

All listed companies
Complete **GHG emissions inventory verification** (the verification boundaries should be the same as the consolidated financial statements)

Sustainable Development Guidemap

Timeline



Sustainable Development Guidemap

Core Strategies



Implementing the responsibility of the board of directors for sustainable development

- ◆ **Establishing a governance structure** and setting up a full-time / part-time unit to promote sustainable development
- ◆ **Conducting ESG risk assessment** on operational issues, and formulating relevant risk management policies or strategies
- ◆ **Supervising the implementation** of the above activities quarterly



Establishing inter-ministerial collaboration mechanism

- ◆ **The Environmental Protection Administration (EPA)** : negotiating to improve the capacity of third-party verification institutions
- ◆ **The Ministry of Economic Affairs (MOEA)** : helping Co. build internal talents to implement GHG emissions inventory and disclosure

Sustainable Development Guidemap

Future Plans

Basic rules

- ✓ Listed co. should disclose climate information and GHG emission in Annual Reports.

information disclosure

- ✓ GHG Information disclosure : GHG emissions of scope 1 & 2 (voluntary disclosure scope 3), intensity ratios, verifiers, and verification statements.
- ✓ GHG emissions inventory taking standards should follow international standards (such as ISO14064-1 、 GHG Protocol).

Management of Verifiers

- ✓ Enhance the quantity and quality of verifiers : TWSE/TPEX is planning to include audit firms and qualified verifiers by EPA .
- ✓ GHG emissions verification standards should follow international standards (such as ISO14064-3 、 ISAE3410).

ESG Reporting Regulations in 2023

✓ Annual Reports

comply or explain basis — encouraging companies to disclose important environmental and social information, such as GHG emissions, water consumption, occupational injury, and percentage of female employees, etc. (Climate-related information will be mandatory for listed companies in 2024; GHG emissions disclosures and assurance rules will phase in over time)

✓ Sustainability Reports

- **TCFD-** disclose climate-related risks, opportunities and responses in a separate section
- **SASB-** set out industry-specific disclosure requirements derived from standards (including food, chemical, financial and insurance, cement, iron and steel, gas, electronic manufacturing industries)

Green Finance Action Plan 3.0

Framework

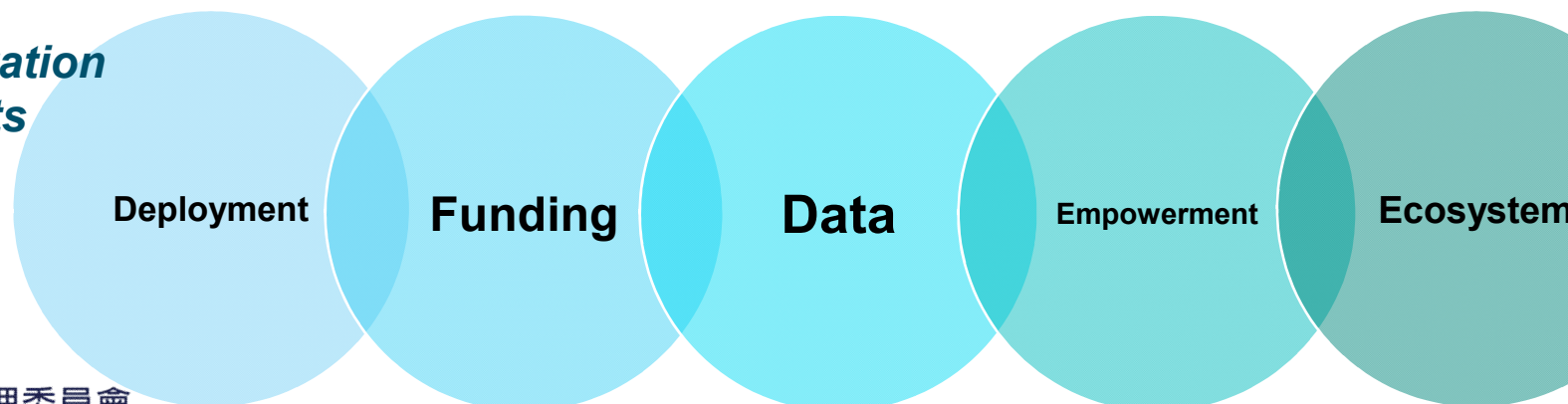
1 *Vision*

Integrate Financial Resources ; Support Net-zero transition

3 *Core Strategy*

1. Working together to deepen sustainable development and achieve the goal of net-zero carbon emissions
2. Disclosing GHG emissions information, and promoting carbon emission reduction from the aspect of investment and finance
3. Integrating information and data to strengthen climate resilience and the ability to cope with climate risks

5 *Implementation Aspects*



Green Finance Action Plan 3.0

Implementation measures:

GHG emissions inventory taking and climate risk management in financial institutions

Development of Sustainability Taxonomy

Integration of ESG and climate-related information

Sustainable finance training for financial institutions

Cooperation between financial institutions to promote sustainable development

Thank you Q&A

*The FSC is happy to share our experience
with APRC members on climate change issues in the future*