

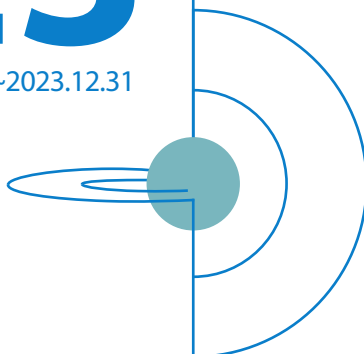


Buddhist Tzu Chi  
Charity Foundation  
Annual Report

20

23

2023.1.1~2023.12.31



# Great Love Never Rests -- Bringing Good to the World

Thank you for joining us  
in lighting the way  
to serve as the greatest support  
for those in suffering.  
Your loving-kindness and acts  
of goodness are  
the driving force behind  
Tzu Chi's continued efforts.  
With kindness and love, we can  
illuminate the world.

Upholding the spirit of  
humanitarian care,  
Tzu Chi volunteers are  
spread across **68**  
countries/regions.  
(as of April 2024)

with charitable  
footprints having  
reached **136**  
countries/regions  
around the world.  
(as of May 2024)



## Schools:

A total of **256** schools  
have been built  
in **17** countries.  
(as of February 2024)

## Housing:

A total of  
**22,743** houses  
have been built  
in **18** countries.  
(as of June 2024)



## Free clinics:

Tzu Chi International Medical Association (TIMA) has held

**18,386** free clinics

in **58** countries/regions,

providing

**4,021,508**

instances of care.

## Rice from Taiwan:

A total of **154,380** metric tons of rice

have been distributed

in **20** countries/regions.



## Disaster relief blankets:

A total of

**1,451,856**

disaster relief blankets have been distributed

in **47** countries/

regions (includes local procurement).

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Learn more  
about Tzu Chi



global.tzuchi.org



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# Words from Our Founder

Time flies by, unstoppable and ungraspable. However, for those suffering from poverty and illness or those affected by disasters, every second feels like an eternity—it is truly difficult to endure!

"When others are hurt, I feel pain; when others suffer, I feel sorrow." When we see people in poverty and suffering, we must promptly help them with utmost sincerity. With Tzu Chi's charity work spanning the globe, whatever we can do, we must do it with all our dedication. Whether in international disaster relief, poverty alleviation, or reconstruction assistance, we must act with sincerity, love, and compassion to relieve suffering and bring joy.

## **Natural Disasters and Hardships Reveal the Impermanence of Life**

In the early morning of February 6, 2023, a strong earthquake struck southern Türkiye near the Syrian border, resulting in nearly 60,000 deaths. In a matter of seconds, the lives of countless people completely changed. Amid the freezing cold with their collapsed homes and continuous aftershocks, it must have been terrifying. Not only must that period have been difficult to live through, but the fear, suffering, and hardship they experienced must have been unbearable.

Before the earthquake struck, perhaps these people were dreaming sweet dreams, but these dreams were shattered before they could awaken. In an instant, everything they had was gone. They were separated from their closest and dearest as their world turned into a living hell. The indescribable pain and soundless cries can only be described with one word: heartbreaking.

In the past, Taiwan also experienced the Jiji Earthquake, so we could empathize with them and wished to quickly mobilize and help those suffering from the disaster. However, Tzu Chi volunteers in Türkiye are located in Istanbul, over a thousand kilometers from the disaster area, making delivering large amounts of supplies challenging. The Turkish Trade Office in Taipei initiated a material donation drive, enlisting Tzu Chi's Neihu Office to assist in receiving the items. A Tzu Chi disaster assessment team also went to Türkiye to give support, where they locally purchased and distributed relief materials. The team also assessed mid- to long-term reconstruction needs to help the affected people settle down, feel at ease, and recover their livelihoods.

The same year, far across the Pacific Ocean, on August 8, the vacation paradise of Hawaii experienced severe wildfires. One of the Hawaiian Islands, Maui, burned for several days. In a panic, people fled for their lives, leaving their homes that were reduced to ashes. With sincere hearts, Tzu Chi volunteers packed relief supplies and eco-friendly blankets and respectfully distributed cash cards, providing the affected people with short-term relief. Most importantly, the respect and love from the volunteers helped calm the survivors' minds.

I often say that when we are safe and well, we should be content and appreciate our blessings. Those who are blessed should put their love into action. I am grateful to all the Bodhisattvas around the world who continuously gather people's love, little by little. The supplies received by the suffering will provide temporary relief, but what we give is the eternal value of life. Moreover, in giving, we attain a sense of peace and freedom.



Tzu Chi Charity Foundation Founder,  
釋證嚴 *Shih Cheng Yen*

### **Bodhisattvas Gather to Relieve Suffering**

For years, I have had a wish—to give back to the Buddha's homeland. The Buddha was born in Lumbini, Nepal, but over two thousand five hundred years later, little has changed there; poverty and hardship still persist. I am very grateful to the Tzu Chi volunteers from Malaysia and Singapore, many of whom have put their businesses aside to be stationed permanently in the Buddha's homeland. There are also numerous Bodhisattvas taking turns to stay there, continuously promoting charitable, medical, and educational assistance projects, transforming the lives of the local people through concrete actions.

As long as we have the will, there is nothing in the world that cannot be achieved with time and dedication. Over half a century ago Tzu Chi began with nothing, from saving fifty cents a day for donations, we have come to where we are today. I am so grateful to everyone for working in harmony to accumulate the power of many small acts of kindness. No matter which country or region you are in, you give with love to your local community, relieving suffering.

Tzu Chi is about selfless great love, about giving without expecting anything in return. This is not just a slogan; it is something I have truly witnessed myself. What we engage in is not a profit-driven business or occupation, but a mission to benefit the world. This is the way we express our religion, and this is the meaning of "spreading the Dharma and benefiting sentient beings."

"Spreading the Dharma" is not just about preaching Buddhist sutras to the public, but about acting in accord with our words in our daily lives. Hand in hand, we work together, taking each other as role models and encouraging and learning from one another. It is rare to be born human, and it is rare to have the affinity to be in the Tzu Chi family, so we must treat each other with sincerity and respect. Our interactions must be defined by gratitude, respect, and love, for only then can we unite everyone's great love to benefit people and society.

Excerpted from: *Tzu Chi Almanac 2023*

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# Words from Our CEO

In 2023, although the COVID-19 pandemic had mostly ended, many places in the world remained in a state of crisis due to natural disasters and human conflicts. The Russia-Ukraine war extended into its second year with no end in sight, displacing many millions of Ukrainians, while the Türkiye-Syria Earthquake in February claimed over 50,000 lives. As we entered summer, intensifying global warming led to numerous natural disasters. The United Nations declared that the earth had entered an era of "global boiling," with the average global surface temperature reaching a record high in 2023. In October, the conflict between Hamas and Israel erupted, with the New York Times noting that the civilian death rate in the Israel-Palestine war was unprecedented in the 21st century, surpassing the death toll from natural disasters.

Tzu Chi continued to support the Ukrainian refugees displaced by the Russia-Ukraine war, providing mid- to long-term support in terms of shelter, language and vocational training, education, employment, and physical and mental health. This was achieved through local volunteers trained in Poland, Ukrainian refugees assisting as cash-for-work volunteers, and collaboration with 13 international and local NGO partners.

The February 6 Türkiye-Syria Earthquake was one of Tzu Chi's key international humanitarian aid efforts of the year. Tzu Chi's team of volunteers from Taiwan and Istanbul were among the groups allowed to enter the severely affected disaster areas for disaster assessment. They conducted 74 distribution events across four provinces, helping over 40,000 households, a total of nearly 200,000 disaster survivors. In response to an appeal from the Turkish representative office in Taiwan, the Taiwanese people generously donated materials for earthquake relief at Tzu Chi's Neihu office, where Tzu Chi volunteers from across Taiwan packed over 400 tons of new, unused items within just a week to aid Türkiye.

Although we cannot predict the occurrence of disasters, we must always maintain the best possible level of disaster preparedness. Tzu Chi's disaster relief efforts are characterized by its compassionate technology, often using items such as Tzu Chi's multi-purpose foldable beds, tables and chairs, and eco-friendly blankets. Recently developed partition tents provided privacy protection for disaster victims during the 2024 April 3 earthquake in Hualien and were recognized by both Taiwanese and Japanese media. With the addition of the newly patented storage cabinets and mosquito nets, a complete shelter and resettlement kit was showcased at the "Multi-Faith Leaders Climate Resilience Roundtable" held in Washington, D.C. on April 17, receiving high praise.

According to the Intergovernmental Panel on Climate Change (IPCC) report, approximately 40% of the global population is at high risk of climate change-related disasters. Facing this severe reality, Tzu Chi voluntarily joined the net-zero initiative in 2021, formulating a net-zero carbon emission strategy and moving towards green energy creation, smart energy storage, and precise energy use. Following the completion of a greenhouse gas emission inventory for the Hualien Jing Si Hall in 2022, Tzu Chi completed carbon inventories and certifications for 10 of its major venues in 2023. Using 2023 as the baseline year, strategies and actions have been formulated to achieve the 2050 net-zero emission target.

In response to the inflation and energy and food crises brought about by the Russia-Ukraine war and the pandemic, Tzu Chi provided economic relief through charity interventions as well as spiritual encouragement through a series of grand musical performances titled "Passing on the Dharma of Infinite Meanings." A



total attendance of over 250,000 Tzu Chi volunteers and members of the public participated in the performances, which combined art and teachings to interpret the life of the Buddha, the essence of the Sutra of Infinite Meanings, and the history of Tzu Chi's missions, while at the same time praying for Taiwan and the world. All in all, these performances touched nearly a million participants and audiences worldwide.

Inspired by Master Cheng Yen's compassionate mission to "give back to the Buddha's homeland," Tzu Chi volunteers from Malaysia, Singapore, and Taiwan registered an international non-governmental organization (INGO) in Nepal. In Lumbini and Kapilavastu, Nepal as well as Bodh Gaya, India, Tzu Chi carried out initiatives in the areas of charity, medicine, education, and humanistic culture, including vocational training for vulnerable women, free medical clinics, school construction, and educational support. The goal is to help the residents of the homeland of the Buddha transform their lives both physically and spiritually.

In the Asia-Pacific Sustainability Action Awards, Tzu Chi stood out, winning gold awards for three projects: "SDG03 - Eco-friendly Assistive Devices for Sustainable Charity," "SDG04 - PaGamO Disaster Prevention Learning," and "SDG12 - Order VO2 to Reduce CO2." These accolades recognize our innovative achievements in charitable care, environmental education, promotion of vegetarian diets, and environmental issues. Tzu Chi's 2020-2021 Sustainability Report was awarded the "2023 SGS ESG Award for Diversity and Inclusion," where Tzu Chi was the only recipient. The Vision Future Incubator won the top prize in the Ministry of Economic Affairs' "Buying Power Social Innovation Products and Services Procurement Award" program. Moreover, the Tzu Chi International Youth Association's (TIYA) innovative Chinese language teaching platform, "El Menahil Promise - Chinese Language Tutoring Project for Syrian Refugee Students," received excellent evaluations in the Ministry of Education's Youth Development Administration's 2023 "Outstanding Overseas Volunteer Service Teams" assessment.

Observing the global situation in 2023 and 2024, global warming, constant disasters, wars and conflicts, and forced displacement are affecting people regardless of wealth or status. As management of a charitable organization with an unshirkable responsibility, we will put even more effort into strengthening Tzu Chi's governance, cross-domain digitalization, empowerment, and succession, promoting vegetarianism for disaster prevention, and achieving net-zero sustainability. Aligning with the Sustainable Development Goals, deepening environmental, social, and governance (ESG) practices, and practicing corporate social responsibility (CSR), we will continue to work in four directions to: "Establish systems and strengthen governance," "Pass on the teachings and cultivate talents," "Foster global partnerships for common goodness," and "Improve information and revitalize finance." In doing so, we seek to contribute to the sustainability of the Earth, humankind, and Tzu Chi.



**Tzu Chi Charity Foundation**





CEO, *Do-Jen Yfen*

# Global Charitable Efforts

In 2023, despite the COVID-19 pandemic coming under control, the world continued to face various challenges such as the Russia-Ukraine war, climate change, frequent disasters, and economic recession. These issues have exacerbated the wealth gap, increased food shortages, unemployment rates, and displaced populations, pushing more people into hunger and homelessness.

Tzu Chi remains committed to its five major charity action plans: "End Poverty and Hunger, Combat Climate Change and Provide Humanitarian Aid, Address Declining Birthrate and Aging Society, Protect the Environment and Raise Awareness, and Foster Global Partnerships and Sustainable Development." Such charitable work in Taiwan and 51 other countries ensures that "Great Love Never Rests."

## 2023 Charitable Achievements

|                                    |  Social Assistance |  Disaster Relief   |  Scholarships |  Child Welfare   |
|------------------------------------|---|---|--|---|
| Key Focus and Actions              | <p>End Poverty and Hunger</p> <p>Foster Global Partnerships and Sustainable Development</p>           | <p>End Poverty and Hunger</p> <p>Combat Climate Change and Provide Humanitarian Aid</p> <p>Foster Global Partnerships and Sustainable Development</p> | <p>End Poverty and Hunger</p> <p>Youth Assistance and Development</p>                            | <p>Youth Assistance and Development</p> <p>Foster Global Partnerships and Sustainable Development</p> |
| Beneficiaries (instances)          | 7,609,607   | 1,381,756   | 23,976   | 1,621,045   |
| Volunteer mobilization (instances) | 2,841,390   | 33,481  | 51,229   | 163,168   |

In Taiwan, efforts to end poverty extend from individuals and families to communities, nurturing youth, caring for the elderly, and emphasizing disaster prevention, mitigation, and relief. Not only is immediate care provided, but through innovative charity programs, cooperation is expanded by combining the strengths of the public and private sectors as well as enterprises. This relieves the disadvantaged, impoverished, and disaster-affected individuals from hardship so they can become self-reliant and ultimately break the cycle of poverty.

Furthermore, sustainable development is a global concern. According to the latest report released by the United Nations in September 2023, out of 36 sustainable development targets reviewed, only two are being achieved, eight are deteriorating, and the progress of the remaining goals is slow or stagnant. To create a sustainable future and protect more disaster-affected communities, Tzu Chi integrates environmental protection, social responsibility, and governance concepts into its actions.

Total **28,229,655** Beneficiaries (instances) **14,807,290** Volunteer mobilization (instances)

**Calculation Basis:**

Total number of volunteer instances x 774 TWD per instance.

**Reference:** In 2023, the minimum hourly wage in Taiwan was 176 TWD. Assuming an average of 4 hours per volunteering per instance per day with an additional meal allowance of 70 TWD, the calculation is as follows: (176 TWD x 4 hours) + 70 TWD = 774 TWD. This amount does not include other costs personally covered by volunteers, such as domestic and international transportation, accommodation, and other additional expenses.

Volunteer mobilizations totaled **14,807,290** instances, equivalent to an economic contribution of **11.4 billion TWD** (11,460,842,460 TWD, approx. 353 million USD).



Senior Welfare

Care for the Aging Society

2,999,350

8,137,161



Community Welfare

End Poverty and Hunger

Environmental Education and Ecological Conservation

8,468,732

2,427,401



Volunteer Service

End Poverty and Hunger

Foster Global Partnerships and Sustainable Development

6,077,167

1,144,316



Education Mission

Environmental Education and Ecological Conservation

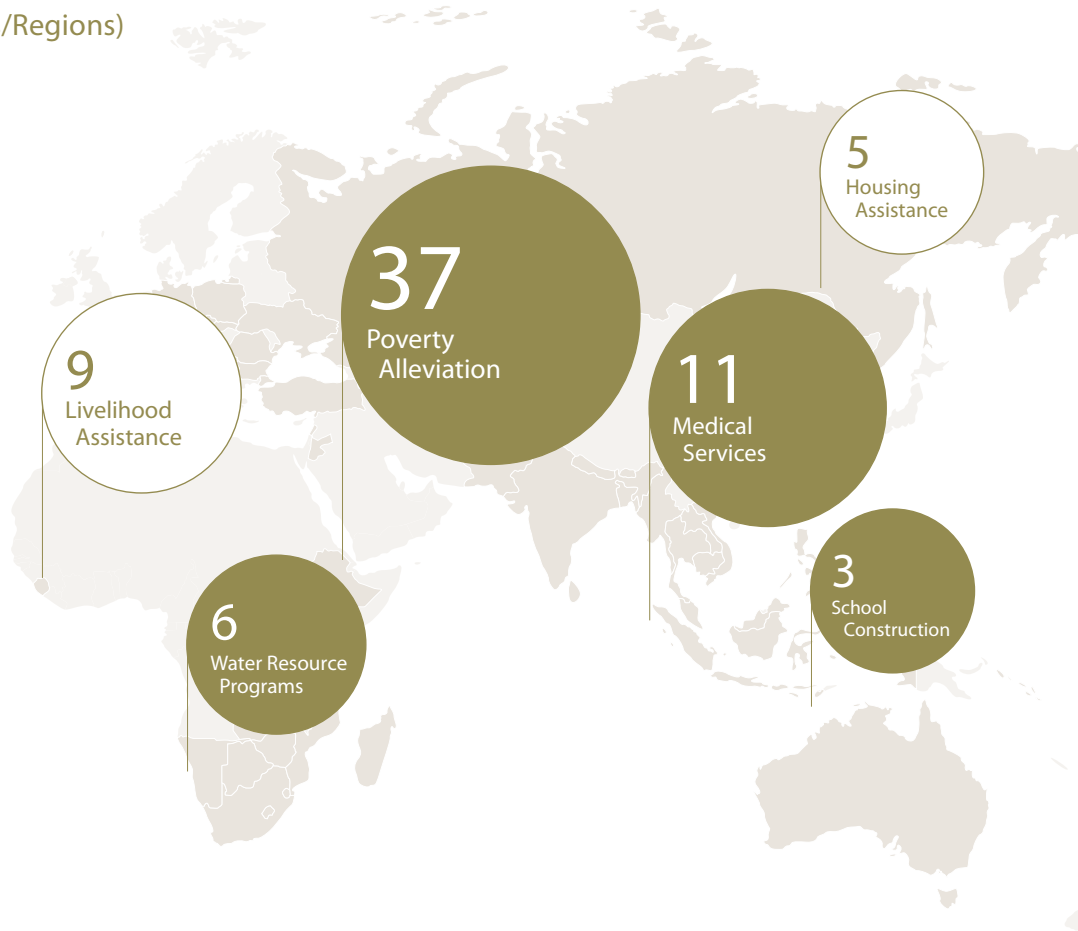
Foster Global Partnerships and Sustainable Development

48,022

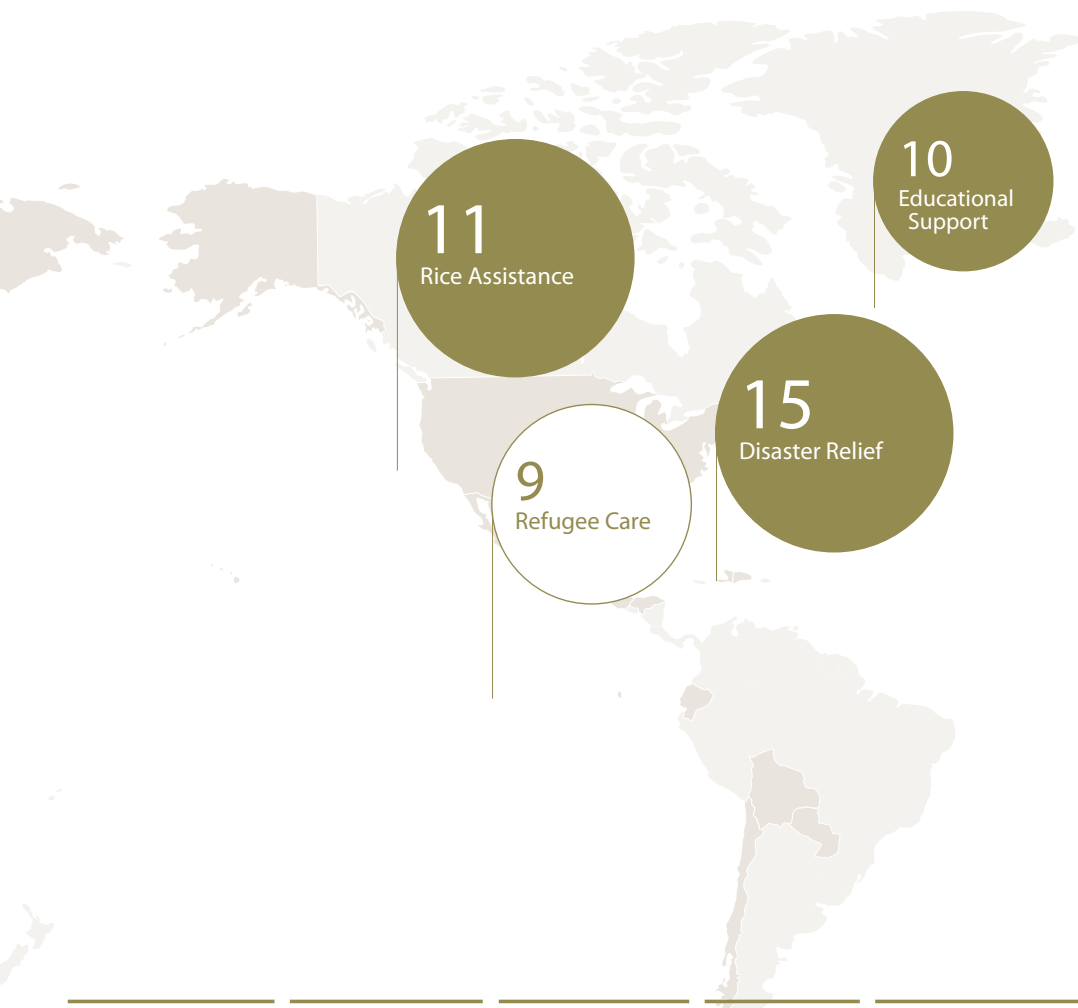
9,144

# 2023 Global Efforts

(Countries/Regions)



| Poverty Alleviation |                |                    | Disaster Relief  |                | Medical Services |
|---------------------|----------------|--------------------|------------------|----------------|------------------|
| <b>Asia:</b>        | <b>Africa:</b> | <b>Americas:</b>   | <b>Asia:</b>     | <b>Africa:</b> | <b>Asia:</b>     |
| India               | Malawi         | Mexico             | Myanmar          | Mozambique     | Nepal            |
| Nepal               | Mozambique     | Paraguay           | Nepal            | Morocco        | India            |
| Philippines         | South Africa   | Ecuador            | Pakistan         | <b>Africa:</b> | Philippines      |
| Sri Lanka           | Zimbabwe       | Haiti              | Singapore        | Australia      | Myanmar          |
| Thailand            | Zambia         | Chile              | Türkiye          | New Zealand    | Jordan           |
| Cambodia            | Uganda         | Sint Maarten       | Syria            |                | Syria            |
| Vietnam             | Sierra Leone   | Guatemala          |                  |                | Sri Lanka        |
| Japan               | Lesotho        | Dominican Republic | <b>Americas:</b> |                | Pakistan         |
| Thailand            | Botswana       | Honduras           | USA              |                |                  |
| Myanmar             | South Sudan    | Bolivia            | Canada           |                | <b>Africa:</b>   |
| Jordan              | Eswatini       |                    | Paraguay         |                | South Africa     |
| Russia              | Ethiopia       |                    |                  |                | Ethiopia         |
| Türkiye             | Madagascar     |                    | <b>Europe:</b>   |                |                  |
|                     | Namibia        |                    | United Kingdom   |                | <b>Europe:</b>   |
|                     |                |                    | Ukraine          |                | Poland           |



**11**  
Rice Assistance

**10**  
Educational Support

**15**  
Disaster Relief

**9**  
Refugee Care

| Rice Assistance  | Educational Support  | Livelihood Assistance   | Refugee Care   | Water Resource Programs   | Housing Assistance  |
|--|--|---|--|---|---|
| <p><b>Asia:</b><br/>Haiti<br/>Sint Maarten<br/>Honduras</p> <p><b>Africa:</b><br/>Madagascar<br/>South Africa<br/>Zimbabwe<br/>Sierra Leone<br/>Lesotho<br/>Botswana<br/>Eswatini<br/>Mozambique</p> | <p><b>Asia:</b><br/>Vietnam<br/>Cambodia<br/>Nepal<br/>Myanmar<br/>India<br/>Türkiye</p> <p><b>Africa:</b><br/>South Africa<br/>Zimbabwe<br/>Eswatini<br/>Mozambique</p> | <p><b>Asia:</b><br/>India<br/>Myanmar<br/>Nepal</p> <p><b>Africa:</b><br/>Zimbabwe<br/>Zambia<br/>Uganda<br/>Malawi<br/>Mozambique</p> <p><b>Europe:</b><br/>Poland</p> | <p><b>Asia:</b><br/>Thailand<br/>Jordan<br/>Turkey<br/>Syria</p> <p><b>Africa:</b><br/>Poland<br/>Ukraine<br/>Romania<br/>Moldova<br/>Serbia</p> | <p><b>Asia:</b><br/>India<br/>Nepal</p> <p><b>Africa:</b><br/>Zimbabwe<br/>Uganda<br/>Sierra Leone<br/>Mozambique</p> | <p><b>Asia:</b><br/>Philippines<br/>Nepal<br/>Vietnam</p> <hr/> <p><b>School Construction</b></p> <p><b>Asia:</b><br/>Nepal</p> <p><b>Americas:</b><br/>Mexico</p> <p><b>Africa:</b><br/>Mozambique</p> |



**22** Counties/Cities  
**423,971** Families

**Support for  
Disadvantaged  
Families**

**22** Counties/Cities  
**31,874** Items

**Eco-Friendly  
Assistive Devices**



### Emergency Assistance

**21** Counties/Cities **17,647** Instances

### Community Emergency Care

**21** Counties/Cities **213** Instances

### Post-disaster Repairs Reconstruction

**1** Counties/Cities **5** Homes **2** schools



### Scholarships

**21** Counties/Cities **23,976** Instances

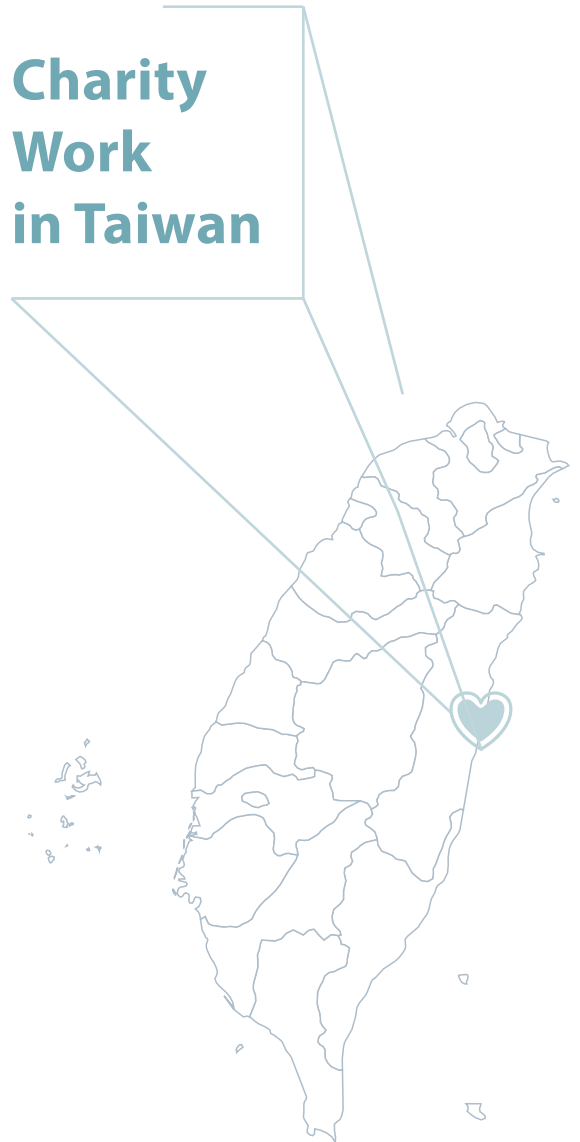
### Support for Disadvantaged Children

**18** Counties/Cities **241,200** Instances

### Youth Online Learning Program

**3,888** Instances

## Charity Work in Taiwan



**21** Counties/Cities

**517** Homes

**Housing Repairs**

**22** Counties/Cities

**2,829** Homes

**Home Safety  
Improvements**



**Unit A Long-term Care**

**10** Counties/Cities **22** Locations

**Unit B Long-term Care  
(Home-based care)**

**10** Counties/Cities **13** Locations

**Unit B Long-term Care  
(Home and Daycare)**

**5** Counties/Cities **5** Locations

**Unit B Long-term Care  
(Daycare Centers)**

**4** Counties/Cities **7** Locations

**Unit C Long-term Care Locations**

**16** Counties/Cities **103** Locations



**Free Clinic Events**

**19** Counties/Cities **254** Sessions



**Institutional Care**

**21** Counties/Cities **931** Instances

**Community Care Locations**

**14** Counties/Cities **93** Locations

**Charity and Public Welfare  
Cooperation**

**15** Counties/Cities **172** Institutions

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# Action 1

## End Poverty and Hunger



Looking around the world, we witness suffering and hardship everywhere. Wars have displaced countless people, and severe food shortages are affecting many African countries.

According to the United Nations' latest report, "Hunger Hotspots," the severity of hunger or food insecurity in 18 out of 22 hotspot countries and regions has likely continued to worsen

in the second half of 2023 due to global conflicts, extreme climate conditions, and economic inflation.

Hunger and food insecurity are global issues that affect the quality of life and survival rights of millions. In many conflict regions, ongoing wars and instability directly disrupt food production and supply chains. Additionally, extreme climate events such as droughts and floods severely impact crop yields, exacerbating food shortages. Furthermore, global economic inflation has driven up food prices, making it difficult for many low-income families to afford basic food needs.

In response to these challenges, Tzu Chi actively engages in various efforts to alleviate poverty and provide humanitarian aid, partnering with international organizations to progress towards the United Nations' Sustainable Development Goal of "Zero Hunger."

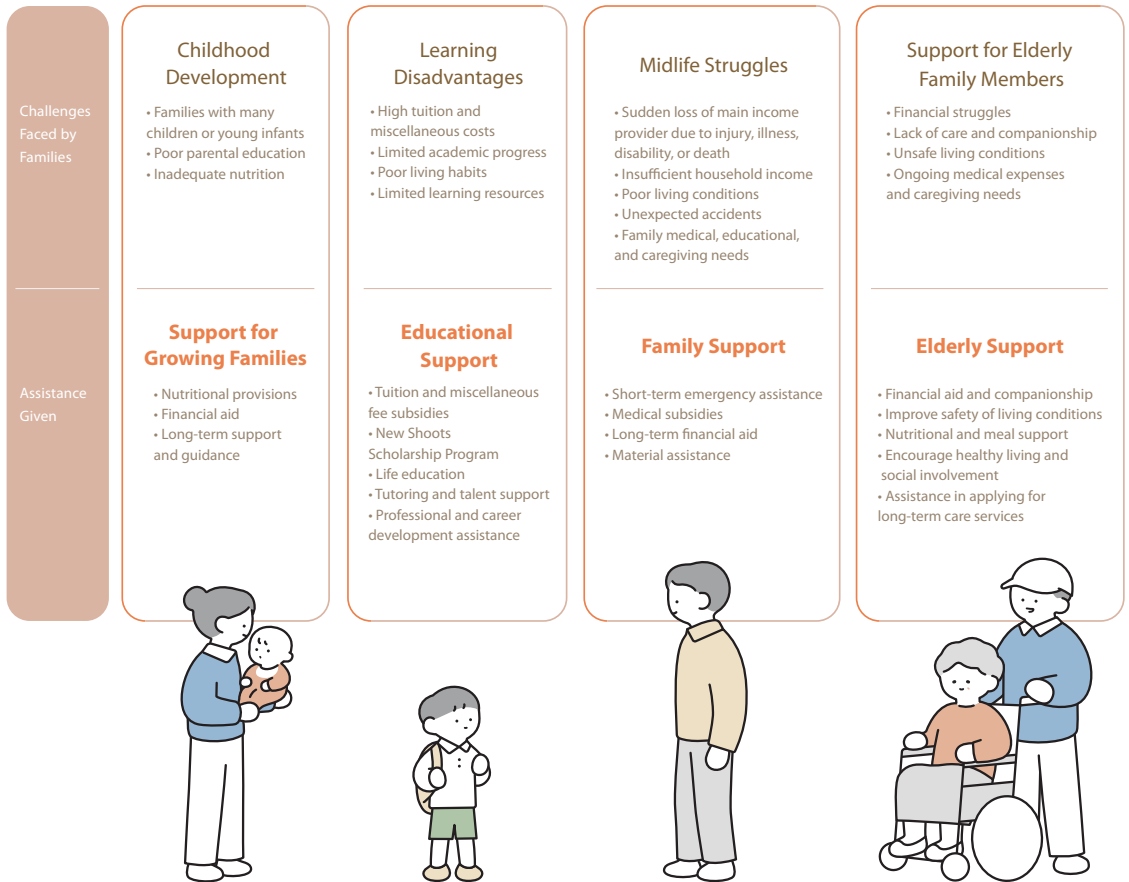


# 1-1 Alleviating Poverty in Taiwan

Long-term and short-term financial aid, housing repairs, medical subsidies, diverse programs, supportive services, and healthcare plans to assist economically disadvantaged individuals or families needing financial assistance, mental care, and team support.

Institutional care, livelihood counseling, and medical services to protect community members such as the elderly living alone, people with physical and mental disabilities, low-income households, and indigenous and rural farmers.

## Holistic, Family-wide, and Continuous Support for Underprivileged Families



## Diverse Care and Comprehensive Support

The family is the basic unit of society. With trends such as declining birth rates, an aging population, changes in the social environment, and shifting values, Taiwan's family structures have become more diverse, with an increasing number of single-parent families, single-person households, skipped-generation families, and small families.

In 2023, Tzu Chi's types of care and support cases included single-parent families, small families, and elderly individuals living alone, accounting for 92.5% of all cases. In response to the shrinking family structures and the gradual disappearance of family functions, we focus on the family as the core and the community as the foundation, enhancing diverse care actions. We provide assistance based on the needs of different age groups, offering support and services in various aspects, including economic support, psychological care, and home environment improvements. By providing "holistic, family-wide, and continuous" support, we ensure effective responses to changes, offering appropriate assistance and care.



## Support for Disadvantaged Families

Beneficiaries:  
**1,138,440** instances

Volunteer involvement:  
**1,138,440** instances

### Monthly Living Allowance

**124,450**  
instances of economic support for families

### Home Care Visits

**204,569**  
instances of home visits

### Home Environment Improvements

**3,318**  
households ensured safe living conditions

### Medical and Long-term Care Subsidies

**4,019**  
instances of medical care provided



### Winter Warmth Program

**29,205** households  
enjoyed a warm New Year

### Festive Care

**49,440** instances of care  
given during the festive season

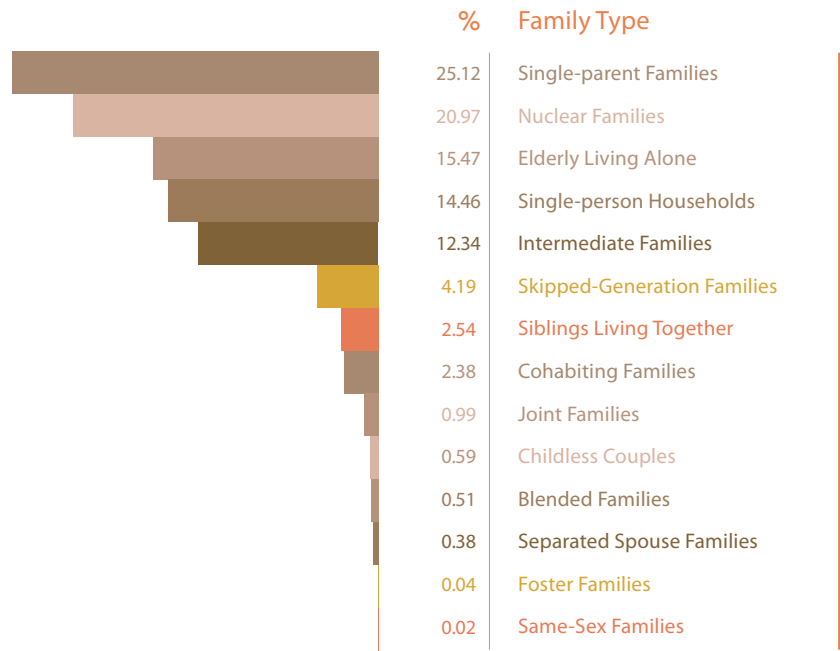
### Emergency Assistance

**12,370** instances of  
care for families

### Funeral Assistance

**1,258** instances of  
funeral assistance given





## Educational Support for Low-Income Families

Beneficiaries: **269,064** instances

Volunteer Involvement: **70,739** instances

### Scholarship and Tuition Assistance

**23,976** instances

### Nutrition Subsidies

**93,704** instances

### Tutoring Services

**81,426** instances

### Diverse Learning Support

**69,958** instances  
(vocational training, specialized training, and career development)

## Community Charity Services

Beneficiaries: **1,120,283** instances

Volunteer Involvement: **180,787** instances

### Target groups

1. Residents in remote areas, offshore islands, low to middle-income households, people with disabilities, new immigrants, foreign workers, homeless individuals, people with mental disabilities, etc.
2. Residents of educational and care institutions, disability and foster care institutions, nursing homes, prisons, police agencies, homeless care agencies, vegetative state care institutions, etc.

### Service Items:

Economic assistance, livelihood support, agricultural training, free clinics, home visits, health promotion, public welfare cooperation, home visits, etc.

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## Rebirth Amid the Impact of the Pandemic

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**Situation:** Impact of the Pandemic in 2021

**Assistance:** Monthly financial aid, emergency assistance, provision of assistive devices, material support

The impact of the pandemic includes widespread economic downturn. On the evening of July 13, 2021, a heartbreaking call was received by a radio program. The caller, struggling to speak through tears, mentioned that he could no longer sustain his life and considered leaving this world together with his 88-year-old mother.

The caller was 62-year-old Ching-tung Hsieh, who owned a self-branded clothing store in the Ximen shopping district. The COVID-19 pandemic left his store deserted, pushing him to the brink of collapse. The overwhelming pressure, crippling debt, and his deteriorating health led to significant weight loss and sleepless nights, leading to thoughts of suicide.

As the program was nearing its end, the call concluded, but another story was just beginning. Kind-hearted listeners, who had never met Hsieh, found ways to help. Tzu Chi volunteers, upon hearing about the situation, extended timely assistance. They provided financial aid and listened attentively, offering comprehensive support that included counseling, assistive devices, and economic help. Home care services were introduced, allowing Hsieh to focus on his work. During the most challenging times of the pandemic, he was given the chance to set up a temporary stall at the Red House Creative Boutique in Ximending, Taipei to sell handmade bags.

The unforeseen and inevitable hardships brought by the pandemic were mitigated by the kindness of strangers, forming a strong safety net that caught falling families and helped them overcome their difficulties.



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## A Sixteen-Year-Old's Farming Dream

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**Situation:** Four generations living together, a teenager with epilepsy, parents doing odd jobs to make a living

**Assistance:** Emergency assistance, educational subsidies, New Sprouts Scholarship


"Chopping scallions for one night earns about 200 TWD. Many people ask me why I do this job. This income helps my family!" says 16-year-old Hsin-Hsiang.

The "Scallion House" is like a small family workshop where people process red shallots, garlic sprouts, and scallions, earning wages based on weight. This is a common way for women and elders in rural areas to make extra money. Despite frequently being brought to tears by the pungency of scallions and garlic, Hsin-Hsiang willingly participates to help support his family.

With four generations among them, this household of ten includes three seniors, four children, and one family member with illness, Hsin-Hsiang's parents can barely make ends meet by doing odd jobs. His grandmother cooks six meals a day and takes care of his 90-year-old great-grandmother at night, but her strength is waning. Hsin-Hsiang, who suffers from epilepsy, worries about his grandmother's exhaustion and started working at the age of 13 to help save on grocery bills. Since middle school, he has been cultivating a piece of land to grow vegetables. Unafraid of failure, he improved his techniques and yielded abundant crops of cabbage, cauliflower, and kohlrabi. This saves a significant amount on food expenses, and he even shares the vegetables with elderly neighbors living alone.

When the pandemic broke out, they became the first confirmed case in the village, and the entire family was quarantined for 21 days without any income. Tzu Chi's emergency relief funds helped them through the crisis and provided educational subsidies, encouraging the children not to give up on their studies. Hsin-Hsiang has been admitted to his first choice to study Agricultural Technology at National Formosa University. His excellent farming skills were repeatedly recognized, and he won numerous awards representing the school in competitions.

Just like the seeds he planted with his own hands, although they started small, after years of nurturing, they eventually broke through the hard soil and sprouted new growth.



**"Everything I've planted failed,  
but I won't give up. I love vegetable farming too much to quit."  
Hsin-Hsiang Liao**

## Twelve Years of Support to Realize a Dream of Studying Medicine

**Situation:** Father diagnosed with cancer and no income for the family.

**Assistance:** Monthly living allowance, educational subsidies, student development, emergency assistance, and home improvements.



Fair and cute five-year-old Chun-Yi was a popular child star who had appeared in many commercials and even traveled to China for filming. However, misfortune struck the family as his father was diagnosed with stage four nasopharyngeal cancer, so little Chun-Yi's career came to an abrupt halt.

Watching his father suffer from the illness, five-year-old Chun-Yi made a promise to his father: "I want to be a doctor so I can cure your disease without surgery." His mother couldn't work as she had to take care of his father. In 2011, Tzu Chi learned about their family's difficulties and provided living allowances and educational subsidies for Chun-Yi and his two brothers, supporting the family for 12 years.

Knowing that only education could turn his life around, Chun-Yi vowed to study hard to change his family's situation. His academic performance was outstanding, winning the Tzu Chi New Shoots Scholarship for ten consecutive years. In 2022, he won the gold medal in the National Physics Research and Practical Competition and the gold award for the Advanced Placement Exams (APX) for Intermediate and Advanced Chemistry at National Yang Ming Chiao Tung University.

His older brother has graduated and is about to enter the workforce, his second brother is studying at the University of Science and Technology, and Chun-Yi successfully passed the entrance exam for the medical school at National Yang Ming Chiao Tung University, fulfilling the promise he made to his father 13 years ago. Chun-Yi shared with everyone: "Never doubt the efforts of your hardest-working self because it is those efforts that bring you to where you are today."



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## A New Life for a Homeless Elderly Man

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For Tie Bin, homelessness was once a choice borne out of resentment.

A volunteer once asked Tie Bin, "You are still physically able and not too old; you can work. Why have you been wandering outside for seven or eight years without looking for a job?" He answered, "Because of low self-esteem and negativity. I didn't want to interact with people or deal with anyone at all."

Sixty-three-year-old Tie Bin was born on the Thai-Myanmar border and came to Taiwan more than thirty years ago. Having experienced many changes, he repeatedly chose a life without a fixed residence. He would eat offerings from funeral homes to stave off hunger or scavenge through trash cans; when tired, he would sleep in parks or under bridges, indifferent to cockroaches crawling over him. His approximately eight years of homelessness were filled with loneliness and despair. He became increasingly depressed, troubled, and desperate to end his life.

One evening in May 2020, he prepared a rope, intending to end it all on a tree, but a sudden downpour extinguished his suicidal thoughts. The next day, while aimlessly wandering the streets, he happened to look up and saw the word "Tzu Chi" above the Shuanghe Jing Si Hall. Recalling that Tzu Chi had provided disaster relief in Myanmar following Cyclone Nargis in 2008, and having stayed in Myanmar himself, he walked into the Jing Si Hall out of curiosity. This marked a turning point in his life, transforming him from being homeless to finding a spiritual home.

Volunteers showed him care and concern, discovering that he had been sleeping under a bridge for many years. They felt great compassion for him and managed to rent a room for him. Tie Bin insisted on not accepting monetary help, so the volunteers assisted him in finding job opportunities, allowing him to have a regular income to pay his rent. As his life gradually stabilized, Tie Bin also became a recycling volunteer to help sort recyclables. With the help of Tzu Chi volunteers, he reunited with his sister, whom he had lost contact with for many years, mending their broken relationship. Regaining his self-esteem and independence, Tie Bin began the second half of his life with a home and a purpose.





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## Charity Work in the Community

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Regular charity efforts in the community include institutional care, free clinics, and homeless outreach. After the pandemic eased, Tzu Chi volunteers across various regions resumed these activities.

At the Banqiao Veterans Home, volunteer hairdressers cut the elderly residents' hair, and volunteers carefully trimmed their nails. To relieve the boredom of the elderly while they waited, several children skilled in playing the flute performed, with the elderly to capture the moment with their phones. Volunteers also lead the elderly to do stretching exercises, use stress balls, and learn sign language songs, which everyone enjoys immensely. Mei-lin Wang, the group leader at the Veterans Home, said, "Normally, the elderly may not move much on their own, but with the volunteers encouraging them, even those in wheelchairs participate in the hand exercises. I think this is the best companionship for them."

At a special education school, Tzu Chi volunteers in Yunlin provided free haircuts for the children, working with teachers to comfort the children and take care of their appearance. They also invited Tzu Chi's adolescent volunteers to interact with the elderly at the Veterans Home in Yunlin. Although the children were initially unfamiliar, they mustered the courage to take the first step, receiving praise from the elderly who joined in the activities with them. This made the elderly very happy as it was just like seeing their own grandchildren.

In 2023, 14,377 volunteer shifts were made to bring 70,550 instances of care to individuals across 931 institutions in Taiwan. These institutions included those for children with disabilities, elderly care, prison counseling, and homeless outreach. This spirit of love and compassion will continue to endure.



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## Caring for Foreign Migrant Workers

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Toro the fisherman said,  
"It's very cold at sea in winter.  
We really need these jackets. Thank you!  
Your positive energy encourages me to work harder."

Taiwan has 740,000 hardworking foreign migrant workers, among whom 17,000 are crew members working in the fishing industry. They are mostly from tropical countries like Indonesia and the Philippines.

In collaboration with the Ministry of the Interior National Immigration Agency, the Fisheries Agency, the Ministry of Agriculture, and the Tung Kang Fishermen's Association, the Tzu Chi International Medical Association (TIMA) organized free clinics for foreign fishermen to care for their health.

The Pastoral and Evangelization Office for Migrant Workers, Catholic Archdiocese of Taipei has long been caring for foreign fishermen at 34 ports throughout Taiwan, providing for their daily needs. Since 2019, Tzu Chi has been supporting the office with supplies. In 2021, they held their first distribution events at the harbors of Tamsui, Keelung, and Yilan, caring for the fishermen's daily needs. In 2023, the Catholic Archdiocese of Taipei and Tzu Chi volunteers once again collaborated to distribute winter supplies at the harbors of Guihou, Tamsui, Keelung, Penghu, and Magong, providing jackets and warm socks to over a thousand fishermen, bringing them warmth.



## 1-2 Alleviating Poverty Internationally

The Global Report on Food Crisis (GRFC) 2024 reveals that due to regional conflicts, wars, extreme weather, and economic factors, over 282 million people in 59 countries and regions faced severe food insecurity in 2023—an increase of 24 million from 2022. By 2030, an estimated 600 million people worldwide will suffer from malnutrition, highlighting the significant challenge in achieving global food security.

Tzu Chi volunteers have been actively engaged in poverty alleviation, refugee care, and food assistance across 44 countries and regions. In 2023, volunteers contributed 752,650 shifts to provide direct aid, improve living conditions, enhance education, and support livelihoods. These initiatives provided a total of 5,350,884 instances of relief to individuals, alleviating poverty and disease, fostering sustainable community development, and working towards the goal of ending hunger by 2030.

### Our Actions:

- 1. Living Assistance:** Economic support, emergency relief, community care, housing repairs, and institutional care.
- 2. Educational Support:** Scholarships for underprivileged students, local school initiatives, and companion learning programs.
- 3. Nutritional Support:** food aid, food station services, and nutritional supplements.
- 4. Livelihood Training:** Vocational training, Great Love Farm cultivation, and agricultural training.
- 5. Water Resource Projects:** Distribution of water purification agents, drilling and repairing wells, and rainwater collection systems installations.
- 6. Health Care:** Medical aid, rehabilitation centers, free clinics, and health check services.
- 7. Hygiene Care:** Head lice prevention, haircuts for children and communities, hygiene education for children and families, women's health care, and construction of general and ecological toilets.
- 8. Special Assistance Projects:** Refugee care, permanent housing construction, school construction/repair, rice distribution, environmental sustainability projects, and installation of eco-friendly stoves.



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Poverty Alleviation

**37,655** volunteer mobilizations  
brought **1,922,377** instances of relief  
to the impoverished in **37** countries.

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Rice Aid from Taiwan

**4,200** metric tons of rice was shipped  
and distributed in 11 countries.  
**1,771,613** packages distributed  
**678,845** volunteers mobilized

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Refugee Assistance

**36,150** volunteer mobilizations  
brought **1,701,806** instances of relief  
to refugees in **9** countries.



## Giving Back to the Buddha's Homeland Through Tzu Chi's Four Missions

### Key Focus Areas for 2023

Nepal——

- Family Assistance: Financial subsidies, material distribution, solar panel installation.
- Educational Support: Scholarships, zero-dropout program, winter clothing distribution, nutritional supplements, Jing Si aphorism lessons, the establishment of Tzu Chi Teachers' Associations, and parent-child sports events.
- Health Care: Medical clinics, health check-up services, community medical workshops, and hygiene education.
- Water Resource Projects: Well drilling, water quality and sanitation surveys.
- Livelihood Support: Establishment of vocational training centers, sewing classes, natural soap production, and weaving courses.
- Construction Projects: Temporary housing, and temporary classrooms.



## India——

- Family Assistance: Financial subsidies, emergency subsidies, material distribution, winter relief, and cash-for-work programs.
- Educational Support: Distribution of school bags, Jing Si aphorism lessons, community living and hygiene education, after-school tutoring, and parent-child sports events.
- Livelihood Support: Sewing classes, computer classes, English classes, cash-for-work programs.
- Health Care: Health check services, medical subsidies, and hygiene promotion.
- Community Care: Home cleaning, community sanitation promotion, and environmental awareness activities.

Since April 2022, waves of Tzu Chi volunteers from Malaysia and Singapore have been taking turns traveling to Lumbini, Nepal and Bodh Gaya, India.

While providing poverty relief and medical services can address urgent needs, widespread and deep-rooted education is the fundamental solution to poverty. Volunteers visited each household to help impoverished and underprivileged children who had dropped out of school to return to their education. After more than a year of companionship, the impact of education has led to subtle changes in interactions between parents, teachers, and students. Whether through parent-child sports events, Jing Si aphorism lessons, or hygiene education on handwashing, tooth brushing, and using utensils, these transformations have been delightful to witness.

For vocational training, Tzu Chi also organized a sewing class in the community, producing a batch of skilled professionals. Among them was Basha, who came from the most impoverished family and had to quit school five years ago to reduce her father's burden. Now, she has received her first-ever paycheck. Through vocational training, she discovered her talent and experienced the joys of being able to support her family.

To empower female care recipients, Tzu Chi launched a handmade soap project, providing the technology and raw materials for soap making and buying back the soaps to assist with sales. This initiative aims to improve the local economy while elevating hygiene practices in the community.



In Sadahawa village in Lumbini Ward 11, eleven households lost their homes due to a fire. Faced with the challenges of rebuilding, the village chief reported the situation to Tzu Chi. Tzu Chi volunteers, who have been deeply involved in Lumbini, completed the construction of prefabricated houses to ensure the villagers had shelter before the monsoon season.

In India and Nepal, the caste system still prevails, with some impoverished villages being considered the lowest "untouchable" or "Dalit" villages. Locals say these villages suffer long-term poverty, unable to improve. Now, with Tzu Chi's poverty alleviation plan, there is hope that one day these "Dalit villages" can transform into "villages of blessings."





## Ukrainian Refugee Care: Second Year of Support

Kyiv resident Panasi said,  
 "Why must we endure so much suffering?  
 Kind people, please save us."

Known as the "Breadbasket of Europe" for its rich agricultural products, Ukraine faced severe turmoil after the Russian invasion in 2022. Over 6.19 million Ukrainians became refugees abroad, and at least 5 million were displaced within the country. With the ongoing conflict, shortages of food, energy, and money have become increasingly severe, making humanitarian aid even more challenging.

Continuing from 2022, Tzu Chi collaborated with the Polish Women Can Foundation on the project "Safe Haven," providing foster children and their families with medical services, psychological counseling, legal advice, child therapy activities, and various courses to help refugees integrate into their new country. Systematic assistance was provided to Ukrainian refugees to help them adapt to their new environment. With millions of refugees in Poland, public medical resources are under significant pressure. Tzu Chi partnered with AMEDS to provide medical assistance.

**2022-2023**  
**2,131,458** cumulative instances of aid for refugees  
 in **9** countries through **13** partner organizations.



Yurzhenko Olena shared, "The cash cards got us through the toughest times when we first became refugees and hadn't yet found a job. The medical services at AMEDS clinics helped me fight illness. The cooking classes taught me how to prepare healthy meals. The psychotherapy sessions gave me strength, opportunities, and self-discovery amid difficult realities."

Beyond assisting refugees outside Ukraine, Tzu Chi implemented the cash-for-work relief program, recruiting Ukrainian refugees as volunteers. In 2023, they successfully delivered charity supplies into Ukraine, distributed directly by local volunteers, bringing the spirit of Tzu Chi's aid back to their homeland.

Despite the inability to transport large amounts of supplies, through the efforts of the Tzu Chi volunteers in Warsaw and cooperation with various organizations, medical and food aid reached Ukraine. Tzu Chi collaborated with many organizations, including the Airlink, EVA Air, and IsraAID, to assist Ukrainians. Additionally, medical equipment was donated to hospitals in Kyiv, helping over 50,000 people annually.

Tzu Chi established the Dumpling Club in Warsaw, Poland, with a branch in Zaporizhzhia, Ukraine. The club not only provides food to families in need but also serves as a source of community support, spreading love and care to Ukrainian families and helping them face future challenges.





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## Crossing Borders with Love: Caring for Syrian Refugees

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Since the Syrian civil war began in 2011, the conflict has continued without end. By 2015, over 4 million Syrians had fled to neighboring countries. Tzu Chi volunteers in Türkiye, Jordan, and Serbia have been providing ongoing care.

In Jordan, refugee support has been ongoing since 2012. In 2015, the TIMA Jordan was established, and in 2016, Tzu Chi took over the United Nations mission to care for refugees in Huweyja village near the Mafraq border. Every November, as winter approaches, Tzu Chi distributes winter supplies, food packages, and firewood at 21 locations in 8 areas, including Bedouin families in tent areas and impoverished Syrian refugee families in Huweyja village. They ensure each family receives enough fuel and food and also provided winter clothes and shoes for children to help them stay warm during the cold months.

Starting in 2017, volunteers assisted with establishing the Tzu Xin House for single mothers and children, providing rent and children's tuition, as well as offering Taekwondo classes, medical care, and vocational training. They also distributed food packages, shoes, and winter clothing to support their lives. Today, the single mothers of the Tzu Xin House have gradually found stability in their lives, becoming essential contributors to distribution and free clinic efforts.





In addition to economic support and emotional care, educational support is also crucial. The El Menahil International School in Türkiye, established for Syrian refugee children, helps those who once roamed the streets or became child laborers to return to school, bringing hope and change for their future. The school also regularly holds distribution events for Syrian refugees, becoming a "second home" for them.

In 2015, Tzu Chi, in cooperation with the Sultangazi Municipality in Istanbul and Syrian refugee teachers, founded the El Menahil School, providing living subsidies to refugee students to ease their financial burdens and allow them to study with peace of mind. In 2018, the school received accreditation from Advance Education, Inc., and was officially renamed El Menahil International School, with approval from the Turkish Ministry of Education to offer elementary, middle, and high school education. The school's successful model attracted attention from the Turkish government and the United Nations, leading to the establishment of similar educational programs across Türkiye to help 400,000 refugee students.

Dedicated to education, the Turkish Ministry of Education officially approved the use of the Turkish curriculum at El Menahil International School in November 2023, making it one of the first accredited international schools in Turkey. The school continues to hold regular distribution events for Syrian refugees, providing much-needed support.

## Cyclone Idai Reconstruction: Safe Homes and Secure Lives

Quizito Baera, a survivor of Cyclone Idai, is now a resident of the Metuchira Great Love Village and a Tzu Chi volunteer. In 2022, he received sesame seeds from Tzu Chi, which he planted and sold after harvest, improving his family's economic situation. He continues to cultivate sesame on his farm, now truly settled and thriving.

Since Cyclone Idai devastated Mozambique in 2019, Tzu Chi has been providing mid- to long-term assistance and reconstruction in the affected areas. To date, three Great Love Villages have been established, housing 495 families. Additionally, Tzu Chi has reconstructed five schools, offering residents secure homes and educational facilities.

Upon moving into the Great Love Village, residents received relocation gifts, including mattresses, blankets, folding tables and chairs, Jing Si multi-purpose foldable beds, and cleaning supplies. For many of these disaster-stricken individuals, it was their "first time" living in a brick house, having a bed to sleep on, using bed sheets, and owning a house that requires a key to open. Considering the impact of extreme weather in recent years, the houses were built with disaster-resistant materials following United Nations Human Settlements Programme (UN-Habitat) standards. The homes also incorporate environmental concepts, such as rainwater collection systems, to provide residents with safe and secure living conditions.

In addition to housing construction, Tzu Chi volunteers are also reconstructing 23 schools in Sofia Province. Mozambican President Filipe Nyusi personally attended the opening ceremony of ESG Mafambisse Secondary School, the largest in the country, which was rebuilt after 18 months of construction and officially opened in January 2024. The bright and spacious classrooms and library can now accommodate 7,000 students. Minister of Education Carmelita Namashulua stated, "This is a landmark project. If we implement a three-shift system, about 9,000 students will benefit in the future. I want to thank all those who have helped us, helped the people of Mozambique, and helped the students. Tzu Chi donors and volunteers have built an educational fortress for our children."



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## Great Love Farms in Africa: Creating Sustainable Food Systems

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At the Mecuzi Great Love Farm in Mozambique, volunteers are divided into three groups: one for watering nurseries and plants, one for cultivating the land, and another for organizing and measuring seedbeds. This makes farming more efficient and ensures good harvests, providing self-sufficiency and helping impoverished residents.



In Eswatini, volunteers promote vegetable gardening in the Sidzakeni community in Manzini, where everyone participates in harvesting vegetables.

The Tzu Chi Great Love Farm Project aims to enhance climate resilience and create sustainable food systems in Mozambique, Eswatini, Malawi, and Zambia. By promoting organic agriculture and eco-friendly farming methods, the project supports local farmers in adopting environmentally sustainable practices, improving land productivity and sustainability. Additionally, through education and training, residents learn climate-smart agriculture techniques, fostering sustainable community development, reducing poverty, and improving local living conditions.

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## Supporting Communities with Food and Water

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A resident shared,

"Before receiving help from Tzu Chi, my youngest daughter would wake up crying from hunger at night, and my son even ate raw rice because we had no water to cook with. I am very grateful for the food and blankets provided by Tzu Chi."



Zimbabwe, once the breadbasket of Africa, has faced severe inflation and droughts caused by climate change in recent decades, leading to widespread food shortages and affecting all tribes. Water shortages have also exacerbated the cholera epidemic.

Local water resources are scarce, and what is available is often unprotected ponds and puddles. Children are used to drinking muddy water from these sources. The cholera outbreak, with over 10,000 cases, was primarily transmitted through contaminated drinking water.



Seeing this, Tzu Chi volunteers formed a well repair team to address the emergency by distributing water purification agents and repairing wells in epidemic hotspots. In 2023, they built or repaired 548 wells, providing clean water for up to 600 households per well, and bringing much-needed relief to remote residents.

To address the food crisis, Tzu Chi regularly distributes rice and has established 52 feeding stations in needy communities. These stations provide hot meals to 16,000 children, elderly, and vulnerable individuals daily, improving child hunger and malnutrition and bringing support to impoverished communities.

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## Food Aid Distribution to Refugee Camps in Ethiopia

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In collaboration with the local NGO Kidmia Mahiber, Tzu Chi provided food aid to refugees in the northern civil war regions in 2022. Continuing this effort, in 2023, they extended emergency food relief to civil war refugees, children in refugee camps, and drought-affected areas.



In January, food packages were distributed to 3,000 families in two refugee camps in Debre Birhan. In May, another 3,000 food packages were distributed to drought refugees in two counties in the Borena region.

Residents of the refugee camps, mostly farmers, come from war-torn or long-term drought-affected areas. Unable to bring their belongings when fleeing their homes, they find it challenging to make a living in the city. The local staple food is flatbread. Each food package includes local staples such as flour or cornmeal, cooking oil, and other essentials, sufficient for a family of five for a month. Additionally, fifty ovens were provided in the refugee camps to shorten the wait to bake flatbread.

Tzu Chi also supports local community volunteers who run children's classes for those who have lost loved ones or been traumatized, providing snacks and lunch expenses for 1,158 children over four months. These refugee children's classes are operated by volunteers from communities around the refugee camp. Due to limited funds, meals can only be provided irregularly. Tzu Chi's support has brought them a stable source of strength.

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## Rice Aid from Taiwan to 11 Countries

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In 2023, Tzu Chi shipped a total of **4,200** metric tons of rice.



This rice assisted 11 countries, including Eswatini, Honduras, Zimbabwe, Botswana, South Africa, Haiti, Mozambique, Saint Martin, Lesotho, Sierra Leone, and Madagascar.

In Sierra Leone, a massive fire devastated Gloucester, destroying 36 homes. Tzu Chi, along with long-term partner Caritas Freetown, launched a relief operation. For two weeks, they set up hot meal stations and distributed supplies to help the affected families. Volunteers prepared rice, grains, baby food, milk, and daily necessities like blankets, toothbrushes, toothpaste, soap, and towels. They also thoughtfully provided sanitary pads and underwear for women, aiming to support their physical and emotional well-being.

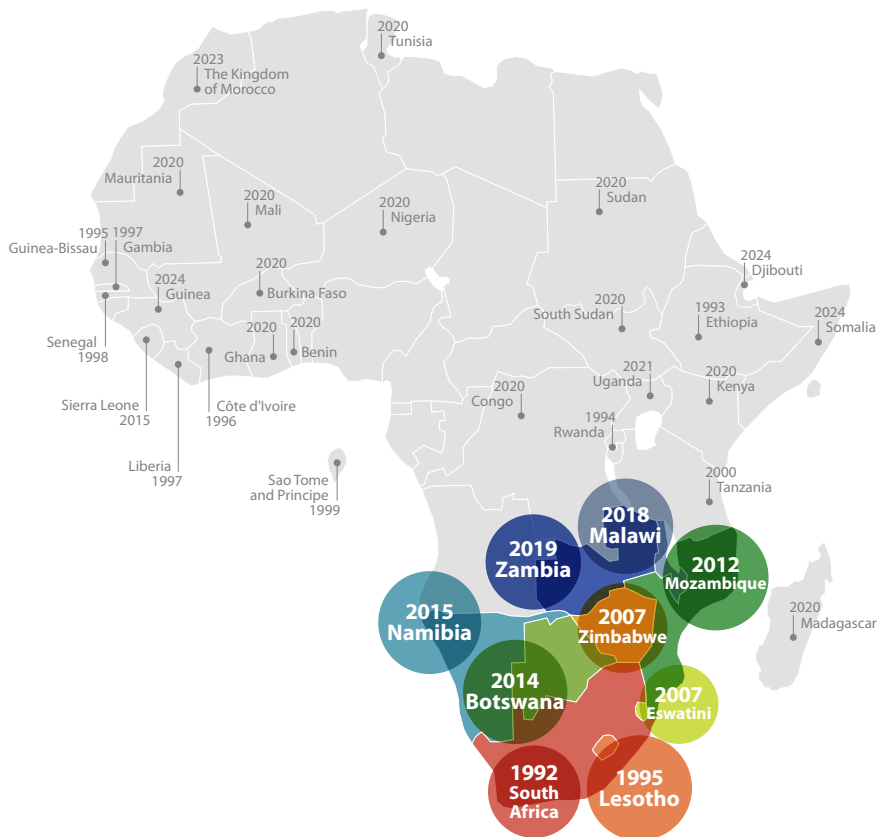
In Lesotho, many villagers in Reisi, Mafeteng District, face unemployment and poor crop yields due to drought. The villagers were overjoyed to receive rice, as they often struggled to obtain even maize flour. The grateful recipients shouted, "Thank you, Tzu Chi!"



The United Nations has repeatedly highlighted that Madagascar is on the brink of the first famine caused by climate change in modern history. With a population of 29 million, 70% living in poverty, its people suffer deeply from hunger. Since 2022, Tzu Chi has been working in southeastern Madagascar, partnering with local Lions Clubs to aid those affected by cyclones. They provided emergency aid and essential supplies like rice, beans, sugar, and soap to support the impacted communities. Tzu Chi also launched long-term support programs, offering seeds and farming tools to help residents restore agricultural production and improve food security.

In 2023, Tzu Chi volunteers from Mozambique traveled cross-country for the first time to Madagascar, engaging entrepreneurs to distribute food packages to the impoverished elderly and AIDS-affected families in Toliara. Residents expressed their joy, saying, "For so long, we've been living on the brink of starvation. Now, we have food!"

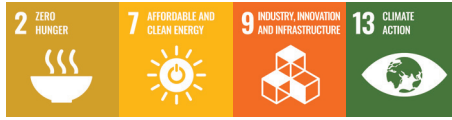




Tzu Chi Volunteers from **9** countries have provided aid to **36** countries in Africa.

| Country             | Assistance Projects   |
|---------------------|---|
| <b>South Africa</b> | Community charity (including individual care) , rice distribution, local primary school camps, food stations, disaster relief, cross-border/region care, institutional care, New Shoots Scholarship, and Jing Si Aphorisms for children.  |
| <b>Lesotho</b>      | Community charity (including individual care), rice distribution, disaster relief, cross-border/region care, institutional care, and Jing Si Aphorisms for children.  |
| <b>Eswatini</b>     | Community charity (including individual care), Great Love Farm/Love Vegetable Garden, disaster relief, food stations, cross-border/region care, New Shoots Scholarship, rice distribution, and Jing Si Aphorisms for children.  |
| <b>Zimbabwe</b>     | Community charity (including individual care), rice distribution, disaster relief, cross-border/region care, institutional care, Jing Si Aphorisms for children, health education, water purification project (well drilling and repair), food stations, New Shoots Scholarship, Great Love Farm, rehabilitation center, and children community haircuts.   |
| <b>Mozambique</b>   | Community charity (including individual care), rice distribution, disaster relief, cross-border/region care, Jing Si Aphorisms for children, health education, New Shoots Scholarship, Great Love Farm/Garden, refugee care, Children's Nutrition Supplement Program, vocational training, construction of permanent housing, reconstruction of schools, Women's Health Care Program, and institutional care. |
| <b>Botswana</b>     | Community charity (including individual care), Great Love Farm, disaster relief, food stations, and health education.   |
| <b>Namibia</b>      | Community charity (including individual care), Great Love Farm, and food stations.  |
| <b>Malawi</b>       | Community charity (including individual care), Great Love Farm/Love Vegetable Garden, disaster relief , cross-border/region care, New Shoots Scholarship, vocational training, construction of permanent housing, and reconstruction of schools.  |
| <b>Zambia</b>       | Community charity (including individual care), Great Love Farm, disaster relief, food stations, and health education.   |

# Action 2



## Combat Climate Change and Provide Humanitarian Aid

With natural and man-made disasters occurring continuously worldwide—earthquakes, storms, wildfires, and conflicts—Tzu Chi volunteers are dedicated to being "the first to arrive and the last to leave." They promptly initiate humanitarian assistance or collaborate with international charitable organizations to provide relief and support to those in need. All this is done while keeping in mind the goals of "prompt relief and safety, psychological and spiritual support, preservation of children's education, permanent housing, peaceful livelihood, and protection of the environment."

As humanity suffers and the Earth endures disasters, we have now entered the era of "global boiling." The impact of extreme weather has led to frequent major disasters, affecting everyone regardless of wealth. This challenges Tzu Chi volunteers' disaster response and preparedness capabilities.

Facing frequent and diverse disasters, we focus simultaneously on disaster prevention, mitigation, and preparedness. By embodying the spirit of "neighbors helping neighbors and families helping families," we aim to enhance disaster resilience by reducing risks, increasing the efficiency of relief efforts, and promoting community recovery to build a resilient and sustainable community.







## Tzu Chi Disaster Prevention Operation Model

**33,481**  
Volunteer Mobilizations

**1,318,993**  
Beneficiaries (instances)

## 2-1 Disaster Response in Taiwan

To strengthen the community's disaster preparedness and assistance during disasters, as a non-governmental organization, Tzu Chi focuses on enhancing home safety and reducing disaster risks in the community. Starting with the home and then extending to the community, we foster mutual care, enhancing disaster safety and reducing disaster risks.

**2023 Disaster Assistance:**  
**209,385** instances of aid

with **13,811** volunteers mobilized



## 2-1-1 Disaster Relief: Providing the Heartwarming Support

PPE Supplies

**11,950** items provided

Community Disaster Response

**213** cases

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### Typhoon Khanun Severely Affects Nantou County: Volunteers Visit Seven Villages

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Due to the typhoon's influence, parts of Taiwan experienced continuous heavy rainfall on August 4. From the moment the typhoon formed, Tzu Chi volunteers closely monitored the situation, assessed needs, and provided comfort to the evacuated residents. Many villages in Nantou County had their external roads cut off. Tzu Chi provided 1.7 tons of living necessities for the Nantou County government to airlift supplies into the disaster zone.



On August 7, upon learning that the road to Nanfeng Village had been cleared, Tzu Chi volunteers immediately set out for the village to begin disaster assessment. Upon arrival, they were met with a scene of devastation and piles of mud. After receiving a list of severely affected households from the village officials, the volunteers and social workers visited each home on the list to offer care. Residents, seeing the volunteers' concern, expressed their gratitude: "Tzu Chi volunteers are great!"

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### Typhoon Haikui

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On September 3, Typhoon Haikui made landfall in the Taitung area. Tzu Chi volunteers activated disaster response centers in both Hualien and Taitung.

To ensure the safety of residents in potential disaster areas and remote regions, the Taitung County government evacuated residents of Jinfeng Township and other nearby towns on the morning of the 3rd. Besides providing essential living supplies, Tzu Chi volunteers also visited evacuation sites to comfort the residents and explained the features of Tzu Chi's multipurpose foldable beds, which can be used for both sitting and lying down, ensuring that even those with mobility issues could use them comfortably.

Miaoshan Temple in Luye Township, Taitung, also suffered severe damage with the destruction of its artifacts and buildings. In response to a call for help from monastics at the temple, 72 Tzu Chi volunteers brought bags, brooms, and gloves to assist in the temple's cleanup during their day off, hoping to help restore the temple to normalcy as soon as possible.

The typhoon also caused numerous landslides in Hualien. Over 80 social workers and volunteers went to Shoufeng Township to help clean the homes of elderly residents living alone. They worked systematically in their assigned roles to efficiently clean two adjacent affected houses.





## Ongoing Support for 18 Days Following a Factory Explosion

On the evening of September 22, a factory fire and explosion at Launch Technologies in Pingtung resulted in 113 injuries and 10 deaths, including six employees and four firefighters. Twenty people were sent to hospitals in Pingtung City and Kaohsiung City for treatment. The next day, Tzu Chi organized volunteers to be stationed at the hospitals, factory site, and funeral homes to give support.

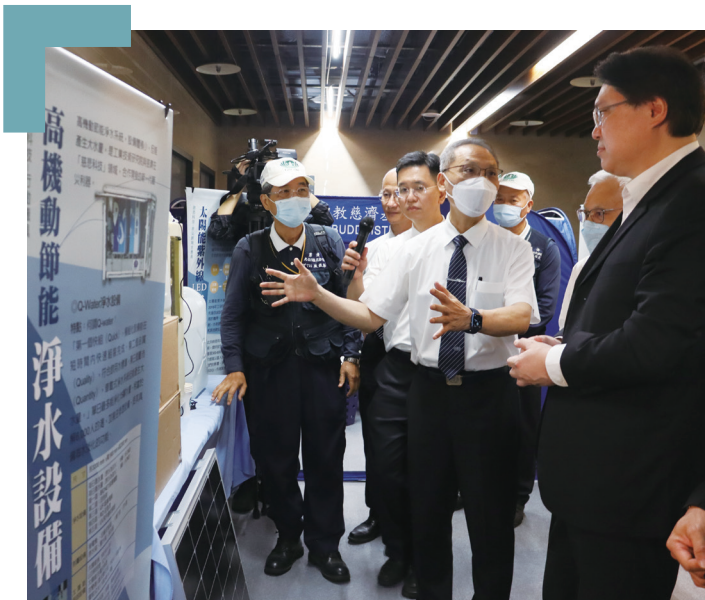
Their efforts continued until October 9, including setting up a care station at the funeral home for prayer services, providing condolence money to the families of the victims, and establishing a rotating care station to offer comprehensive care, companionship, and support for firefighting and rescue personnel and the waiting families.

## 2-1-2 Disaster Preparedness: Providing the Strongest Support

**4,817** Disaster Prevention Specialists and Instructors Trained

**186,665** Total Attendances in Disaster Education Programs

**11** Disaster Response Center Workshops



At the press conference held by the Ministry of the Interior's National Fire Agency for typhoon preparedness, the Tzu Chi Foundation, with its extensive experience in disaster prevention and relief, was invited to participate. Tzu Chi showcased its compassionate technology for disaster relief and various disaster prevention supplies. Po-wen Yen, Tzu Chi Foundation CEO, provided a detailed introduction to the functions of these compassionate technology disaster relief devices.

The Industrial Technology Research Institute (ITRI), commissioned by the Water Resources Agency of the Ministry of Economic Affairs, has developed a new water purifier, with the Tzu Chi Emergency Relief Team being one of the key users. To familiarize users with the operation and maintenance of the new device, Tzu Chi Emergency Relief Team members from across Taiwan gathered at the Tzu Chi Zhongli Operations Center in June to participate in "High Mobility High-Flow Water Purification Equipment Training," ensuring they are always prepared for disaster response.



## Disaster Relief Volunteers: Advocates of Disaster Preparedness

Facing unpredictable natural disasters, Tzu Chi volunteers across Taiwan have initiated disaster relief and preparedness training programs. These courses, which last 15 hours, are open to the general public, planting seeds of disaster awareness and enhancing community resilience. Trained community members become a vital force in helping their neighborhoods during emergencies.

A total of 3,971 Tzu Chi volunteers and staff have obtained disaster relief volunteer certificates, and 8,314 people have been trained by Tzu Chi's certified disaster relief specialists, accounting for 33% of all disaster relief volunteers in Taiwan. In 2023, training courses extended to rural areas and schools. Due to the increasing frequency of natural disasters driven by climate change, providing timely and appropriate care and services to disaster victims and their families has become crucial. In 2022, Tzu Chi collaborated with the government and other organizations to establish the "Care Companions" training and certification program. In 2023, 1,711 people received certification, bringing the total to 3,276.



In rural areas, many elderly residents live alone or have mobility issues, making survival during disasters particularly challenging. Tzu Chi has partnered with local offices to promote disaster prevention and mitigation efforts, educating rural residents on self-survival and mutual aid techniques. At the certification ceremony for disaster relief volunteers in Zhuoxi Township, the township chief encouraged every certified volunteer to help advance disaster prevention efforts in their communities.

## 2-1-3 Disaster Education in Schools and Communities

### Disaster Preparedness Summer Camp



Nangang High School hosted a two-day immersive Disaster Preparedness Summer Camp, with 70 students learning the standard procedures for disaster prevention and evacuation. The camp included basic knowledge courses on fire, flood, and typhoon disasters, combined with training from the Taipei Fire Department on emergency first aid, bandaging, AED, and CPR techniques, enhancing students' practical rescue skills. The camp also featured a display of disaster relief supplies, such as Tzu Chi's multipurpose foldable beds for providing comfortable rest to disaster victims, partition tents for a sense of privacy, and mobile kitchen trucks to ensure proper nutrition and reduce food preparation pressure in disaster areas.

### Disaster Relief Volunteer Training in Schools

To engage the younger generation in community disaster preparedness and safety, the Pingtung County Government and Tzu Chi Foundation co-organized the "2023 Pingtung County School Disaster Relief Volunteer Training Program," conducting five sessions at four schools, with 239 teachers and students completing the training.



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## Disaster Preparedness, Follow Me! Environmental Protection, Let's Go!

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In July, Tzu Chi, in collaboration with the National Taiwan Science Education Center and Taoyuan Disaster Prevention Education Center, hosted the "Disaster Preparedness, Follow Me! Environmental Protection, Let's Go!" educational exhibition. Aimed at preschool and elementary students, the exhibition promoted disaster prevention and environmental awareness through interactive experiences and educational games.

The exhibition featured topics ranging from major disasters like typhoons and earthquakes to common accidents in the home. Interactive multimedia installations, such as a climate countdown clock, a virtual river cleanup game, and a smoke simulation room, helped enhance people's understanding of disaster prevention and environmental action. Every element, from space design to art installations, showcased Tzu Chi volunteers' dedication to environmental protection and resource reuse.

The exhibition attracted over 2,000 visitors daily, effectively embedding disaster prevention and environmental concepts in children's minds, encouraging them to practice green living from an early age, and influencing more people to focus on environmental protection, aiming for sustainable coexistence with the Earth.



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## International Youth Disaster Relief Training Camp

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Tzu Chi, in collaboration with the National Science and Technology Council and the National Science and Technology

Center for Disaster Reduction (NCDR), organized a series of "International Training Workshop – Youth Leadership Camp on Disaster Risk Management" activities at the National Taiwan University and Donghua University. These activities were open to international and domestic students interested in disaster prevention and relief. Through simulated disaster scenarios, hands-on operations, and team cooperation, participants enhanced their disaster prevention and relief capabilities, including assembling water purifiers, assembling temporary shelters, and setting up partition tents.

## 2-2 International Disaster Relief

Humanitarian Relief and Disaster Prevention in **15** countries

This includes Türkiye, Syria, Paraguay, Pakistan, Nepal, Canada, the United States, Mozambique, Morocco, Myanmar, Australia, Ukraine, the United Kingdom, New Zealand, and Singapore. (Based on location, timing and community-specific conditions.)

Relief Actions: Providing comfort and care, supplying hot meals, distributing aid such as cash cards/cash, food packs, seed packs, eco-friendly blankets, implementing cash-for-work programs, and reconstructing housing and schools.

### Major International Relief Efforts



**19,670** Volunteers Mobilizations

**1,108,903** Instances of Relief Provided

\* Aid provided in 2024.

## Türkiye-Syria Earthquake Relief: Sending Love from 8,000 Km Away

The journey may have been long, but  
**the warmth that transcends race  
and nationality melted away helplessness.**

Upon receiving cash cards,  
the earthquake survivors were moved to tears,  
giving kisses of gratitude to Tzu Chi volunteers.

A Turkish volunteer shared,  
"No matter what the earthquake survivors receive today,  
they will remember this day forever.  
Because this was probably the day they felt  
the most respected since fleeing the disaster area."

### Relief Efforts and Achievements

**4** Provinces: Istanbul, Gaziantep, Hatay, and Şanlıurfa

**45** cash card distributions / **40,744** households / **197,181** people benefited

Türkiye

**42,967** items distributed,  
including blankets, scarves, mattresses, and generators.

Personnel involved: Tzu Chi disaster assessment team, Tzu Chi Türkiye volunteers, and El Menahil International School teachers and students.

Partner organization: Sened



Tzu Chi volunteer Nadya Chou expressed,  
"Regardless of whether we are from Türkiye,  
Syria, or Taiwan, we are all one family.  
We are here because of love."



Syria

In partnership with  
Jordan Hashemite Charity Organization (JHCO),

**507,920** items were delivered to the Jordan-Syrian border  
then transported to earthquake survivors  
in Syria by the UN.

Partnered with Dünya Doktorları Derneği (DDD, MDM-T)  
to provide family medicine, pediatrics, gynecology, and counseling  
services in Idlib Province.

**20,455** instances of care provided



## Türkiye-Syria Earthquake Relief in Türkiye

### 1 Earthquake Strikes

On February 6, a 7.8 magnitude earthquake at a depth of 17.9 kilometers struck the Türkiye-Syria border, affecting 11 provinces in southern Türkiye and northern Syria.



### 2 Immediate Mobilization

Volunteers at the Tzu Chi Neihsu Office in Taipei mobilized to urgently pack thick eco-friendly blankets. A donation ceremony was held on February 9, with the donation accepted by the Türkiye's representative to Taiwan, Muhammed Berdibek. The blankets were airlifted to Istanbul in three batches. Considering transportation and customs clearance times, blankets were also locally procured on the 9th for use by the Taiwanese rescue team and disaster victims. On the 15th, the first batch of locally procured blankets arrived at El Menahil International School, where Syrian volunteers helped unload and distribute the supplies.



### 3 Assessment and Coordination

The Tzu Chi disaster assessment team departed Taiwan for Istanbul on February 10. On the 12th, they met with Turkish Vice President Fuat Oktay and the Disaster and Emergency Management Authority to explain Tzu Chi's relief and distribution methods. The Turkish Presidency approved the distribution plan on February 13, granting Tzu Chi permission to enter the disaster areas for relief work.



### 4 Community Support

Entrusted by the Turkish Trade Office in Taipei, the Tzu Chi Neihsu Office opened its doors from February 9 to 13 to receive donated supplies from the public. A total of 11,196 volunteer instances were involved in packing 34,314 cartons of supplies, weighing a total of 401 tons, which were then arranged for transportation by the Turkish Trade Office in Taipei.



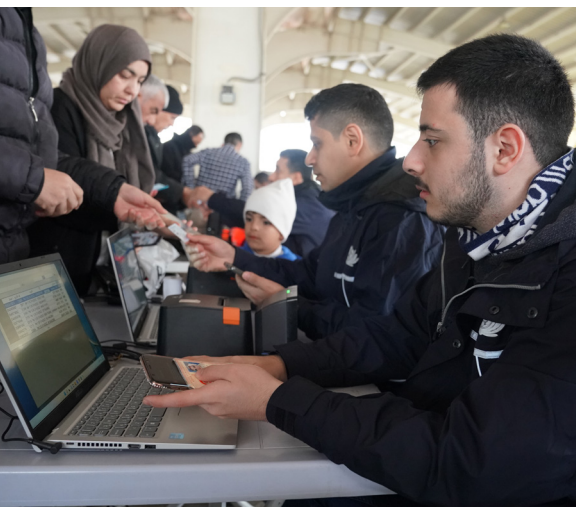


Tzu Chi volunteers utilized technology for efficient distribution, offering warm companionship to disaster victims, alleviating their helplessness with immediate post-earthquake living necessities, and soothing their frightened hearts. During the emergency phase, a total of 74 distributions of living supplies and cash cards were held.



## 6 Large-scale Distributions

Starting February 17, distributions were conducted in four heavily affected provinces, including BIM cash cards, blankets, scarves, and other cold-weather items. The value of the cash cards was sufficient to cover two months of living expenses for each household.



Teachers and students from El Menahil International School provided significant support, and the school's IT staff improved the distribution system by replacing manual number entry with barcode scanning, greatly enhancing the speed and efficiency of distributions.



## 5 On-the-Ground Survey

On February 15, the first disaster assessment team went to the heavily affected Hatay province to survey the situation and establish the Tzu Chi disaster response center.



### Material Assistance

In collaboration with Jordan Hashemite Charity Organization (JHCO) who provided storage and transportation to the Jordanian and Syrian borders, 507,920 items were handed to the UN and delivered to the Syrian earthquake disaster areas. Provided items include:

- 10,000 jackets, 1,120 pairs of shoes, 10,000 hats, and 10,000 pairs of gloves from Tzu Chi Jordan.
- 426,800 pieces of clothing and 50,000 blankets from a Taiwanese factory in Jordan.



### Medical Support

On March 29, Tzu Chi signed a cooperation agreement with Dünya Doktorları Derneği (DDD, MDM-T) to provide medical and counseling services in Idlib.



### Cyclone Freddy



Cyclone Freddy ravaged Southern Africa from February to March, causing severe flooding in Mozambique, Malawi, and Zimbabwe. In Mozambique, eight provinces were affected. Tzu Chi provided aid to orphans, the elderly, children, the disabled, and those with chronic illnesses by distributing food packages, building materials, and agricultural seed and tool kits to 12,638 households. In Malawi, Tzu Chi focused on rebuilding 177 brick houses in 15 heavily impacted villages, completing the project in March 2024. Jafali Gerrard, a resident whose house was destroyed, expressed joy at receiving the keys to his new home after living in the ruins with his family for five months.

After the disaster, Tzu Chi volunteers helped the community implement an experimental farming project, encouraging villagers to cultivate white sesame to stabilize their livelihoods.

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## Maui Wildfires, Hawaii

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Hawaii's Maui Island experienced devastating wildfires exacerbated by dry weather and strong winds from Hurricane Dora. The famous resort town of Lahaina was almost completely destroyed. David, a survivor, described the aftermath as reminiscent of Pompeii.

Tzu Chi volunteers conducted seven aid distributions, providing 1,699 families with cash cards and eco-friendly blankets.

Peachie, a survivor from Lahaina, was amazed to receive a blanket, which she had hoped for the night before due to the cold. Another resident, Matthew, expressed relief at receiving a cash value card to purchase clothing and daily necessities after wearing borrowed clothes for three weeks.



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## Morocco Earthquake Partnering with Jood Association to Bring Relief

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On September 8, a 6.8 magnitude earthquake struck Morocco, killing nearly 3,000 people in the worst earthquake the region had seen in 120 years. Although there are no Tzu Chi volunteers in Morocco, Tzu Chi prepared international relief supplies and worked with the Jood Association to provide aid. With the help of Jood, Tzu Chi was able to distribute food and hygiene packages in two phases and donated two mobile shower vehicles to improve living conditions for the affected. Families of four or fewer received around 43 kilograms of food, while larger families received nearly 90 kilograms. Hygiene packages included essential items such as toiletries and disinfectant, and blankets were provided for warmth. Two months post-earthquake, many residents were still struggling, prompting a second round of aid distribution to help rebuild their homes.



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## Paraguay Floods

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In late October 2023, heavy rains caused by climate change and the El Niño phenomenon led to the overflow of the Paraná River, severely affecting Brazil, Argentina, and Paraguay. Severe flooding in Paraguay left approximately 30,000 people displaced. Tzu Chi volunteers quickly responded by distributing relief supplies at temporary shelters in two affected areas. They also visited affected residents who could not reach the distribution sites, delivering supplies to 1,049 families, including one month's worth of food, mosquito nets, and cleaning supplies.

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## Floods in Yangon and Bago, Myanmar

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In mid-September, continuous heavy rains hit Myanmar's Yangon and Bago regions, causing the highest rainfall in sixty years and prolonged flooding. Bago, the second-largest rice-producing area, was heavily affected. Tzu Chi volunteers provided hot meals at temples housing flood victims and delivered food to affected households, serving 19,733 meals over 36 days.

On October 18, Tzu Chi volunteers assessed the damage in Yangon and Bago. Post-flood, only 30% of the rice crop was salvageable. To aid farmers burdened by skyrocketing fertilizer prices, Tzu Chi distributed mung bean fertilizers to 19 villages, supplying 276.7 hectares of mung bean fields, and upland rice fertilizers to 30 villages, supplying 2,111.6 hectares of upland rice fields. To ensure the affected families could have sufficient food before the mung bean harvest, food supplies were distributed to 426 families along with clothing and blankets to 1,210 residents, helping to bring stability to their lives.



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## Western Nepal Earthquake

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On November 3, a 5.6 magnitude earthquake struck western Nepal, resulting in significant casualties and damage, the worst since 2015. Tzu Chi volunteers visited affected communities, distributing essential supplies like rice, wood, salt, oil, flour, and sugar.

To assist the children affected by the disaster, Tzu Chi helped build temporary classrooms for five schools in the heavily affected areas: Bheri Tribeni Secondary School, Shree Shiv Shankar School,

Shree Dipendra Primary School, Shree Jana Yuwa Primary School, and Adarsha Secondary School. Construction volunteers from Lumbini, along with local villagers, carried materials along uneven paths to designated locations. Over the course of a month, by March 2024, they completed 31 classrooms and 3 dormitories, and provided solar panels, multipurpose foldable beds, and blankets, ensuring a protected learning environment away from the elements. At the inauguration, the volunteers brought woolen hats and handmade soap, crafted by the residents of Lumbini.



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## Hurricane Otis in Mexico

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On October 25, Hurricane Otis struck Guerrero, Mexico, causing severe damage, with 47 deaths and impacting over a million people. Tzu Chi launched an international relief operation, collaborating with local and US volunteers to assess and plan the relief efforts. From January 5 to 7, 2024, Tzu Chi distributed aid at the Parroquia Nuestra Señora de Fátima in Acapulco, assisting 1,183 families with

material aid and emotional support. Volunteers from multiple countries participated, demonstrating a spirit of compassion and selflessness.

Tzu Chi also supported the nuns at the Consecrated Sisters of the Most Holy Savior, who actively participated in the relief efforts despite being affected themselves. Tzu Chi provided them with material aid and donated funds to help rebuild the church.

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# Action 3

## Address Declining Birthrates and Aging Society

An aging population and declining birth rates are among the most significant challenges facing contemporary society in Taiwan. As society ages, the labor force supply diminishes, leading to restricted economic growth and increased social welfare burdens. This situation, in turn, affects young people's willingness to have children, exacerbating the decline in birth rates. Conversely, declining birth rates lead to an imbalanced population structure, with a higher proportion of elderly people, further accelerating the trend of population aging. Creating a more balanced and sustainable social structure, where people of all ages can enjoy a high quality of life, requires comprehensive efforts.

Tzu Chi has implemented various measures, from preventive charity work to need-based care. This includes youth development, elderly care, intergenerational support, and community engagement. These efforts aim to create a more inclusive and supportive social environment to mitigate the challenges brought about by population aging and declining birth rates.



### 3-1 Paving the Way for a Hopeful Future

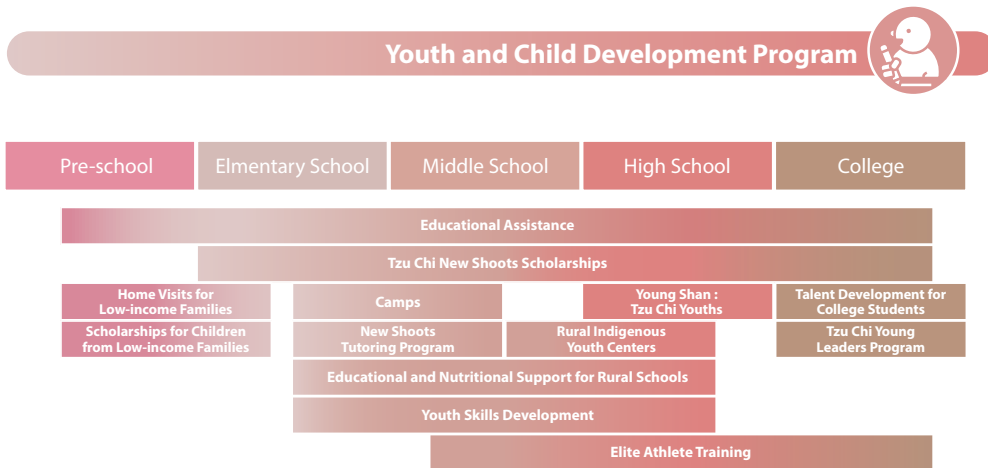
Education is not just about passing on knowledge; it's also the key to breaking the cycle of poverty. Young people are the driving force behind societal change and the fresh lifeblood of our communities.

Many children face obstacles that prevent them from receiving the education and opportunities they deserve, but we believe that everyone has the potential to shine and the power to realize their dreams.



### 3-1-1 Supporting Disadvantaged Students

With the goal of "alleviating poverty through education and nurturing talents to support the disadvantaged," Tzu Chi provides online and in-person tutoring, nutritional support, specialized training, career development, and various learning resources for students from underprivileged families and rural schools. These initiatives ensure that over 20,000 children from disadvantaged backgrounds have access to development opportunities.



### Pingxi Junior High: A Mother's Heart Nurturing Compassion

Pingxi District in New Taipei City is surrounded by mountains. As coal mining resources have gradually declined, young and middle-aged people have migrated away, resulting in fewer students. Pingxi Junior High is the only junior high school in the area. The family structure of the students is such that 70% come from single-parent, orphaned, or grandparent-led households.

Since 1996, in addition to local students, the school has operated a boarding program called "Ci Hui Class," specifically for students at risk of dropping out, providing accommodation and academic support.

With many students coming from economically disadvantaged families, Tzu Chi volunteers and social workers began collaborating with the school since 2020 to support students through a diverse talent cultivation program. This program



offers material assistance, scholarships, life skills workshops, and gender-specific activities for girls. They provide long-term care and promote stable education plans for graduates, assisting 30 students in continuing their education.

Tzu Chi also provides dietary and nutritional care and delivers jackets during the colder months. Volunteers noticed that some female students' bras no longer fit properly, so they invited experts to tailor fit new ones for them. Additionally, Tzu Chi provides monthly scholarships, with the school offering service opportunities for students. Guided by teachers, students develop proper attitudes and behaviors and are encouraged to document their service experiences. Through long-term care and companionship, these children grow up surrounded by love.

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## Bo-Yuan's Courage to Be Himself: Overcoming 7 Years of Paralysis After Car Accident

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**Emergency Assistance:** Timely relief for sudden family hardships to stabilize lives.

**Educational Assistance:** Ensuring a return to school to continue his education.

**Rehabilitation Assistive Device:** Increase frequency of rehabilitation to prevent muscle atrophy.

**New Shoots Scholarship:** Recognize academic achievements and support educational journey.



Bo-Yuan Chen, who loved sports, was paralyzed in a car accident at the age of 18. After seven years of rehabilitation, he returned to school and became a para-athlete. In 2022, he represented Tainan City in the National Disabled Games, winning three silver medals in shot put, discus, and javelin.

During his second year of high school, the cost of a rehabilitation chair troubled him: "Tzu Chi volunteers dressed in blue appeared at my home. Soon after, my tuition was secured, and the long-awaited sports training equipment arrived in my living room."

Long-term support allowed him to regain autonomy over his life. He joined the spinal cord injury support group "Fighters of Love," sharing his life story in schools and communities, hoping to inspire others.

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## 3-1-2 Youth Public Welfare Program

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In communities and schools, various innovative youth public welfare projects are promoted. With an international perspective and innovative public welfare initiatives, talents are nurtured to expand a new generation of public welfare education and practice capabilities, enhance competitiveness, and lead youths to participate in public welfare, grasp sustainable trends, and collectively seek solutions to social issues, embodying the power of societal good.

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## International Mentorship Program

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**3,284** sessions

**4,688** hours of companionship

**20** days of in-person interaction

The "El Menahil Promise - Mandarin Learning Program for Syrian Refugees" is a collaboration between the Tzu Chi Foundation and National Taiwan Normal University. Since 2023, the program has provided online Mandarin courses for Syrian refugee students, with Taiwanese youths accompanying them in learning, opening a window to the world for Syrian children.

This program recruits young adults aged 18-35 and provides six weeks of in-person training. Using an innovative Mandarin teaching platform and remote teaching methods, they accompany students online every

week, enhancing their foreign language skills and expanding their future possibilities.

During the summer of 2023 and the winter of 2024, outstanding university companions participating in the program were given the opportunity to go to Türkiye to interact with the Syrian refugee students, engaging in cross-cultural exchange and Mandarin teaching.

Student Jing Chen shared how she was moved by the resilience and optimism of these students. She returned with gratitude and inspiration, inviting more people to take part in international volunteer services.

When visiting a refugee family, Curry Chang learned that a child's father was shot dead at their doorstep. The child had to stop schooling to care for his brother with nerve damage, yet they had no money and no legal status to access proper medical care. Witnessing these injustices fueled his motivation to help others and change the world.

The team's outstanding performance was recognized by the Ministry of Education's Youth Development Administration, receiving top and excellence awards for the "International Youth Volunteer Service Excellence Team."

The "Online Youth Mentorship Program" began in 2021 during the height of the pandemic in Taiwan, providing tutoring services through online platforms to ensure continuous learning despite school closures. Besides Syrian refugees, the program has also extended to Africa, serving more students and aligning with sustainable development goals SDG4 (Quality Education), SDG10 (Reduced Inequalities), and SDG17 (Partnerships for the Goals).



## Vision Future Incubator: Tzu Chi Establishes Incubation Platform for Youths

The Vision Future Incubator has entered its **7<sup>th</sup>** year

- Sponsored **66** teams to date
- Engaged with **117,200** youths
- Completed **750** incubation training courses
- Guided **6** teams to formally establish organizations

### Participant Testimonials:

"Immediate financial assistance helped our team go from zero to one, making that crucial first step."

"It turned our social issue solutions into reality, from training to funding, creating real impact."

"Even after the program ended, Tzu Chi treated us like family, continuously supporting each innovative team to grow."

This platform allows young people to realize their public welfare dreams, encouraging those under 40 to engage in charitable work and focus on social issues. CEO Po-wen Yen emphasized that Tzu Chi



is dedicated to nurturing ambitious youth, guiding them into social innovation, and providing a rich learning environment through connections with industry experts and resources. This support helps them progress further on their path of public welfare.

Anyone with a clear concept and wants to give back to society, believes in the value of your work, and aims to positively impact society, are welcome to join.

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|                            |   |
|----------------------------|---|
| <b>Areas of Focus</b>      | Charitable innovation, circular economy, regional revitalization, environmental protection, food supply innovation, educational innovation, intergenerational collaboration, etc.   |
| <b>Methods of Practice</b> | Provide action grants, connect with industry mentors for guidance, organize training courses, and support network resource connections.   |
| <b>Impact Goals</b>        | <ol style="list-style-type: none"> <li>1. Lead youths to understand sustainable trends</li> <li>2. Collaboratively seek solutions to social issues</li> <li>3. Engage youths in public welfare and practice the power of social good</li> </ol> |

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## Life Maker: Helping College Students Navigate their Future

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This is a youth camp specifically designed for college students and high school seniors. It focuses on four major learning themes: life goals, social engagement, self-exploration, and global citizenship. Through design thinking methods, participants gain insights into themselves, including exploring their own traits, learning life design tools, gaining insights into social issues and engaging in service practices, and exchanging ideas with exemplary youth. The camp encourages participants to think outside the box, create influential lives, and inspire social impact.





### Reasons for Joining

- "To step out of my comfort zone, find my life direction, meet like-minded friends, learn about Tzu Chi, find my life's focus, understand myself better, and change myself."
- "The pandemic left us feeling disconnected from the world. This activity broadened my horizons and confirmed my goal to use my skills to make the world a better place."

### Post-camp Feedback

- "I was nervous before participating but found each day filled with joy and happiness. I also met many like-minded friends, and the camp was free, offering great value."
- "I learned great tools here, which helped me explore my traits and use design thinking to ponder my life goals, reigniting my learning motivation. Four days and three nights, well worth it!"



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## The Compassionate Technology Innovation Competition: Advancing Social Welfare Through Technology

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The Compassionate Technology Innovation Competition aims to encourage young creators to identify social issues related to "medical care" and "charity." Participants are invited to showcase their innovative ideas, which are evaluated and guided by experts

to help them further refine their projects.

In 2023, the competition entered its seventh year, with 24 teams reaching the finals.

The championship in the university category was awarded to Cai-xuan Xiao from National Taiwan Ocean University and Ting-kai Lai from Fu Jen Catholic University. They invented a device that can convert and store energy, ideal for quickly supplying power to mobile phones or wearable devices during natural disasters or mountain emergencies.

In the high school category, the first prize went to the team from Yuli High School in Hualien. They developed an earthquake-resistant modular furniture set in response to the frequent earthquakes in Taiwan. This set is specifically designed for the elderly and people with mobility issues, providing practical solutions during earthquakes.

Participants have the opportunity to contribute to social welfare through technology and inspire more innovative applications in the field.

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## Ministry of Education's First Youth Volunteer Award: KMU Tzu Ching Wins "Service Innovation Award"

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The Youth Development Administration of the Ministry of Education encourages young people to engage in volunteer service and has been promoting volunteer team competitions for many years, recognizing outstanding youth volunteer teams and their host organizations. The Kaohsiung Medical University Tzu Chi Collegiate Association formed the Kaohsiung Youth Medical Volunteers and participated in the first Youth Volunteer Award with the theme "Protecting Your Teeth." Their practical actions in health education and free clinics earned them the "Service Innovation Award."

For the 2023 competition, the team went beyond the campus to serve spinal cord injury as well as physically and mentally disabled patients, elderly individuals with dementia, and children in rural areas of Kaohsiung, Pingtung, and Taitung. They also organized regular training sessions on dental volunteerism, practical dental clinic operations, assistive device operations, dementia care, and basic life-saving skills certification, training volunteers in dental clinic knowledge, and assisting as dental assistants at free clinics.





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## International Youth Leadership Program: Sustainable Youth Power

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The International Youth Leadership Program (IYLP) recruits young people globally to focus on sustainable development, offering thirteen courses on climate change, food systems, water resources, and gender equality. Through educational training, practical participation, and international exchanges, young people learn how to advocate for society and have the opportunity to stand on international stages such as the United Nations to discuss crucial global issues, accumulating professional knowledge and influence.

The second Tzu Chi International Youth Sustainability Conference, themed "Sustainable, I DO!", showcased a year's worth of sustainable achievements. The event featured a series of creative exhibitions organized by the teams, including project introductions, sustainability results, and future prospects.

A total of 17 youth teams participated, presenting diverse and unique projects such as volunteering at prisons, second-hand assistive device repairs, environmental volunteering, programming teams, online tutoring volunteers, Tzu Ching cultural exchanges, the navigator program, medical volunteer teams, rural summer camps, tutoring teams, youth public welfare projects, and the International Youth Leadership Program. Participation increased by 75% compared to 2022. The instructors also led members in sustainable workshops, discussing and overcoming challenges.

Huey Yi Lee from Malaysia participated in the "IYLP International Youth Leadership Program" and signed up for the United Nations summit. He found that gaining access to the UN platform was challenging, but Tzu Chi has been involved with the UN for many years and has experience collaborating with many countries. Lee expressed that with Tzu Chi's training platform, young people can have a broader impact.



## 3-2 An-Mei Elderly Care Project



Loneliness, health issues, and financial difficulties are challenges that many elderly people face. How can we ensure that those who have worked all their lives do not feel helpless or anxious? How can we help them age with peace, happiness, and confidence, creating a society where the elderly are cared for and the youth can pursue their ambitions without worry?

Our goal is "Stable Homes and Friendly Communities," focusing on home safety improvements, an eco-friendly assistive device platform for extending the life of assistive devices, meal delivery services for the vulnerable elderly, community care centers for health promotion and disability prevention, and the utilization of digital health care systems. These efforts aim to enhance home medical care and health services for disadvantaged groups, accompanying the elderly to enjoy a healthy, peaceful, and happy later life.

### Tzu Chi Eco-Friendly Assistive Devices: One Platform Per County

Operating under the "One Platform Per County" model, the Tzu Chi Eco-Friendly Assistive Devices Platform has established an assistive device reconditioning process. It provides safe, sanitary, and appropriate assistive devices to those in need, improving public health and welfare, easing economic difficulties for disadvantaged families, and promoting environmental sustainability.

**64,998** volunteer participations

**21,666** households served

**31,874** assistive devices provided

**68%** increase compared to 2022

**136** storage and distribution points

Received the 2023 TSAA SDG3 Good Health  
Taiwan Sustainable Action  
Gold Award for and Well-being

2,999,350 Instances of Care  
8,137,161 Volunteers Mobilizations

## Elderly Care Actions



### Home Visits

Financial aid, living material support, home visits, and phone companionship.



### Living Condition Improvement

Improving the safety of living spaces for the elderly and disabled, and providing reconditioned assistive devices.



### Health Care

Nutritional supplements for the elderly, community meal delivery, community center care, medication consultations, physical fitness enhancement, and digital health care.



### Long-term Care

Home care and home nursing services, daycare center services, Unit C long-term care service points, community service points, and health promotion for the community elderly.



### Solitary Elderly Project

Undertaking projects for the care of seniors living alone in Taipei City, Kaohsiung City, and Tainan City.



### Health Care Stations

Establishing Tzu Chi blood pressure monitoring systems at recycling stations, introducing "balanced diet" and "regular exercise" courses, and providing comprehensive care from physical care to dietary nutrition for elderly volunteers.

|                      |                  |                  |              |                |                            |                     |
|----------------------|------------------|------------------|--------------|----------------|----------------------------|---------------------|
| Wheelchairs          | Hospital Beds    | Commode Chairs   | Walkers      | Air Mattresses | Quad Canes                 | Special Wheelchairs |
| <b>7,113</b>         | <b>6,766</b>     | <b>3,953</b>     | <b>2,947</b> | <b>2,773</b>   | <b>1,234</b>               | <b>1,152</b>        |
| Oxygen Concentrators | Suction Machines | Single Tip Canes | Crutches     | Nebulizers     | Electric Mobility Scooters | Other Items         |
| <b>802</b>           | <b>792</b>       | <b>355</b>       | <b>414</b>   | <b>266</b>     | <b>127</b>                 | <b>3,180</b>        |

## Care Actions



### Collecting

Volunteers collect pre-loved assistive devices.



### Processing

Reconditioning, cleaning, and storage of assistive devices.



### Delivering

Volunteers deliver assistive devices to the homes of recipients and teach families how to use them properly.

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## Community Teamwork: Creating a Safe and Comfortable Home

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Seventy-two-year-old Mr. Lu had been bedridden for a year after a fall, with no family to care for him, which accelerated his physical decline. Living alone in a house filled with clutter from the first to the third floor, he faced safety hazards and limited mobility.

Referred by the township office, Tzu Chi, the village chief, and the day care center came together to discuss Mr. Lu's needs, forming a 46-member team to help. On the day of the cleanup, the items removed nearly filled the street, including items untouched for 21 years.

When Mr. Lu returned to a clean and tidy home, he was overwhelmed with disbelief and joy. He noted that neighbors, who previously avoided interaction with him, now showed concern and offered well-wishes. Some neighbors even stepped into his home for the first time.

Volunteers also brought a reconditioned medical bed as well as other assistive devices. Fresh new bed linen and pillows were also provided. The clean environment, free from pests, promises better rest for Mr. Lu.



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## Home Safety Improvements

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According to the Ministry of Health and Welfare's Health Promotion Administration, common causes of falls among the elderly at home include inadequate lighting and safety handrails, clutter, and slippery bathroom conditions.

To improve home safety, Tzu Chi mobilized 22,586 volunteer participations to improve living conditions for 2,829 dwellings of elderly, disabled, and disadvantaged households. Improvements included installing safety handrails, creating barrier-free ramps, applying non-slip measures, and enhancing lighting, all to prevent accidents and create a safe living environment.

### Recognizing Needs

Grandpa Chang used to grab a rope to help himself stand up. With the installation of a handrail, he no longer needs to exert as much effort, making it safer for him.



### Tailored Solutions

Volunteers observe the daily movement patterns of the elderly to measure and plan the types of installations required.



### Construction and Installation

Technician volunteers mindfully help install safety handrails, bathroom facilities, and lighting fixtures.



### Testing Usability

Volunteers accompany the elderly who are frail and have limited mobility to test the new installations, ensuring there are no problems.

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## Community Care: Nearby Protection for the Elderly

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In Jing Si Halls, recycling stations, or through collaboration with community neighbors, we provide a support system that functions like "daycare for the elderly" and "community long-term care." This allows the elderly to enjoy a healthy life in a familiar environment.

Community Care and Support Points **93** locations

Unit C Long-Term Care Points **103** locations

Functional Recycling Points **246** locations



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## Happiness at Any Age

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In Tainan, Kaohsiung, Taichung, and other places, community care centers held exhibitions and performances titled "Together, Shining Brightly." Whether through static displays or dynamic performances, every grandpa and grandma was the star of the show.

At the Jing Si Hall in Changhua, a special event called "Sharing Our Stories: Weaving the Wisdom of Life" made the elders' stories the focal point. This was more than just a competition; it was a reunion and sharing session.

Elders from seven communities in the central region participated. Initially unsure of what to share, with the help of volunteers and social workers, they brainstormed, organized, rehearsed, and eventually crafted their life stories into compelling narratives. For many, performing on stage was a first, bringing both nervousness and excitement. To prepare, they rehearsed at community centers and continued practicing at home, keeping them more active and engaged.

On the day of the competition, even 100-year-old Grandpa Chen took to the stage with joy, sharing how participating in the center's activities had made him feel more relaxed and happy. The atmosphere was lively, with everyone enjoying snacks while watching the performances, turning the event into a joyous "senior class reunion." This unique competition aimed to add fun and a sense of competition, but more importantly, the process allowed them to revisit and share life's moments with one another.

#### Digital Health Care Beneficiaries:

6 counties/cities

17 gathering points

3,126 people

#### Nutritional Support for the Elderly:

8 counties/cities

15 gathering points

50,863 instances

To care for the health of community elders, especially those living alone, Tzu Chi launched the "Silver Health Care" project alongside promoting digital health care.

Tzu Chi recycling stations, scattered in various neighborhoods, have developed comprehensive recycling mechanisms and various value-added inventions, fulfilling environmental education roles while also providing social assistance and care. Elderly participants in recycling activities engage in



physical exercise and social interaction, which helps them find a renewed sense of purpose and significantly improves their physical, mental, and spiritual well-being, effectively serving as another form of long-term elderly care.

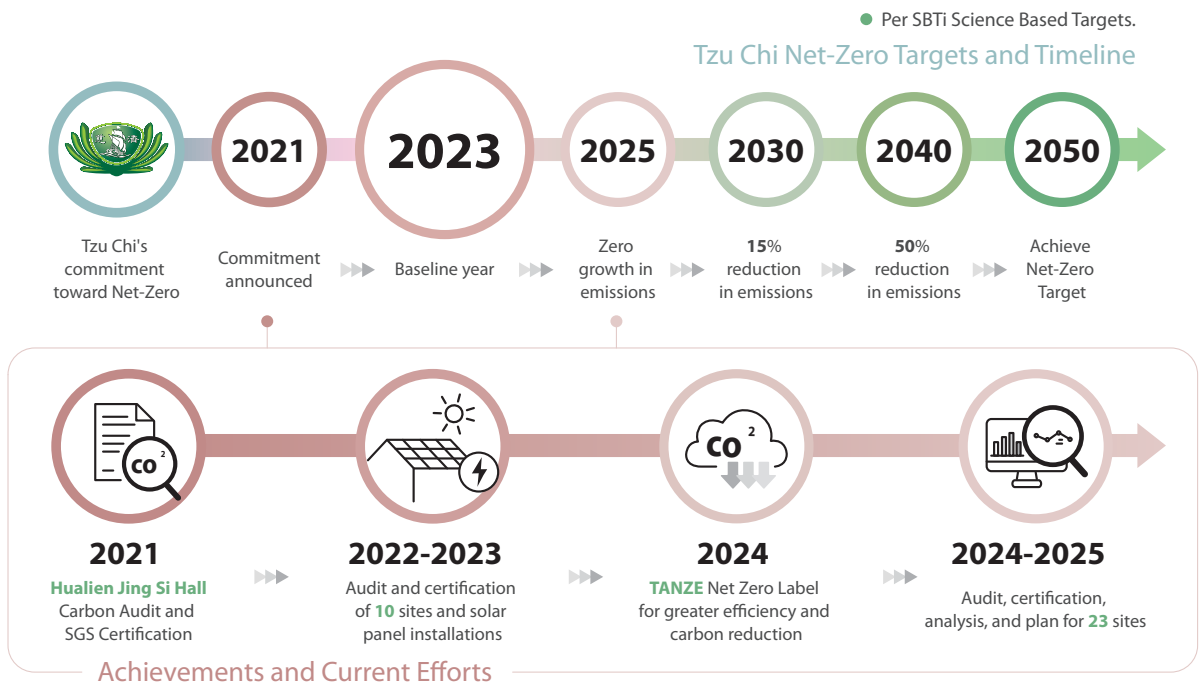
To protect the health of recycling volunteers, Tzu Chi conducts regular checks including blood pressure measurements and atrial fibrillation detection using digital measurement devices, ensuring ongoing monitoring and follow-up.

# Action 4

## Protect the Environment and Raise Awareness



### 4-1 Striving for Net-Zero, Sustainability, and Greater Social Impact





The Earth is heating up, the weather is getting hotter, and climate change impacts children and adolescents the most and for the longest. As abnormal weather intensifies and climate disasters worsen, how can we regulate and prevent these unpredictable climate disasters?

Climate change is closely linked to and affects nature; Earth's resources are not infinite. If the Earth continues to be overburdened, it will lead to more extreme heatwaves, wildfires, droughts, and floods, threatening global food production. Scientists indicate that human actions are the main cause of global warming. Hence, Tzu Chi is committed to disaster education, promoting healthy low-impact diets, and achieving net-zero sustainability to address climate emergencies and reduce disasters.

To accelerate net-zero carbon action and address critical sustainability issues, Tzu Chi announced its 2050 net-zero emission goal in 2021. This goal is pursued through four major steps: auditing, analyzing, reducing, and offsetting, driving the net-zero transformation. In 2022, Hualien Jing Si Hall served as a Striving for Net-Zero, Sustainability, and Greater Social Impact, initiating ISO14064-1:2018 greenhouse gas emission verification and obtaining certification. By 2023, ten sites were completed, with plans to extend to 23 locations across Taiwan. Using 2023 as the baseline year, we set operational carbon reduction targets, continuously promoting energy-saving and carbon-reduction efforts in operations and green energy deployment, including energy transition toward RE100. Tzu Chi is pushing for transformations through its operations, lifestyle, and society.

In 2023, referencing the Task Force on Climate-related Financial Disclosures (TCFD), we initiated the first phase of risk identification, establishing a climate-related risk assessment mechanism. Through systematic adaptation and mitigation measures, we proactively respond to the impacts of climate change on operations, finance, and services, enhancing overall service and operational resilience, and supporting international and

government commitments to 2050 net-zero goals.

As an NGO, although not in the first wave of net-zero transformation targets, environmental sustainability is a key concern for Tzu Chi. Led by Master Cheng Yen, global volunteers strive towards reducing their carbon footprint through vegetarianism and environmental efforts. CEO Po-wen Yen believes that despite the challenges of achieving net-zero emissions, Tzu Chi must actively participate.



## 4-1-1 2023 Earth Solutions: Focusing on 12 Major Industry Issues

The "2023 Earth Solutions: Sustainable Design Action Conference" centered on "Breakthrough Innovation, Accelerate Action" featured six thematic sessions focusing on sustainable transformation, sustainable finance, smart transportation, holistic health, and sustainable cities, addressing 12 major topics. Key leaders from industry, government, academia, and research sectors shared their expertise and experiences to explore strategies and actions for sustainable development.



CEO Po-wen Yen shared Tzu Chi's approach to promoting sustainable environmental education under the theme "Let's Action: Connecting Intergenerational Forces," emphasizing the critical role of intergenerational collaboration in advancing sustainable environmental education. This forum served not only as an exchange platform but also as a call to action, encouraging all sectors to contribute to the planet's future.

## Mobile Environmental Education Truck 2.0: Learning About Net-Zero

Launched in 2020 as part of Tzu Chi's 30th anniversary of promoting environmental protection, the Mobile Environmental Education Truck was created in collaboration with Da.Ai Technology. The truck toured counties, cities, and campuses, receiving enthusiastic responses. In response to the global net-zero trend, the 2023 upgraded 2.0 version featured a "Net-Zero Future Pavilion." The 40-foot trailer, equipped with 20 solar panels, promotes green renewable energy and includes seven checkpoints. Interactive games using technology and digital screens guide participants to understand the causes of global warming, net-zero targets, carbon reduction, and carbon neutrality, and explore implementation methods. Solar-generated power is stored in batteries to ensure sufficient power supply even during low sunlight, demonstrating energy-saving, energy-creating, and energy-storing functions.



**PaGamO Learning Platform: Cultivating Environmental and Disaster Relief Warriors**

**21** counties and cities / **1,551** schools  
**5,241** classes / **123,453** participants

Received the 2023 TSAA Taiwan Sustainable Action Gold Award for **SDG4 Quality Education**

The "Tzu Chi x PaGamO Environmental Education E-sports World Cup" entered its third year. This cross-sector collaboration between Tzu Chi, BoniO, the Ministry of Environment, and the Department of Information and Technology Education promotes "environmental education and disaster preparedness knowledge." Through the competition, students and teachers will learn about global warming and extreme climate issues. Each participant writes a learning reflection on environmental practices, turning online learning into concrete actions for the Earth, aiming to enhance national disaster prevention awareness and environmental education literacy.

This year, a friendly match with Environmental Protection Bureaus across Taiwan included 54 representatives from 22 counties and cities.

The intra-school competition kicked off on August 30, involving 1,551 schools, 5,241 classes, and 123,453 participants. From class preliminaries and school semi-finals to 21 county and city cup finals, the grand finale on April 14, 2024, was held in Taipei, Taichung, Hualien, and Kaohsiung. Contestants from the US and Malaysia also participated online.

BoniO founder Benson Yeh noted that over 3 million children in Taiwan use the PaGamO platform, with more than 200,000 users weekly. The third year of collaboration with Tzu Chi for the environmental and disaster preparedness e-sports competition has seen growing participation and international outreach, exporting Taiwan's educational influence to other countries.



**Tzu Chi x PaGamO Environmental Warrior Training Program**

**Online Learning | Task Book**

Follow KOKO  
Protect the Earth Together

**On-campus | Class Interactions**

Class Preliminary Rounds  
Intra-school Semi-finals  
County and City Cup Finals

**Environmental Education Competition**

Global Cup Finals

## 4-2 Sustainable Living Starts with You and Me

Sustainable Living

Every choice counts



### Protecting the Earth Through Action

**Recycling** is essential to the circular economy and everyone can do it. It conserves resources, reduces greenhouse gas emissions, and decreases energy, air, and water pollution. By transforming waste into resources, recycling lowers dependence on natural resources, minimizes environmental damage and carbon emissions, and reduces the need for new resource extraction, helping to mitigate climate change.

**91,982** certified recycling volunteers in Taiwan

**7,059** recycling stations or community recycling points

**3,287,957** metric tons of CO2 reduced (2023 cumulative benefit from recycling)

Equivalent to the annual carbon sequestration of **644** New York Central Parks

**3,405,756** kg of plastic bags collected (not typically recycled)



In April 2023, the "Tzu Chi Foundation Environmental Protection Missions (SROI) Analysis Report" was verified by the Report Database for Social Value UK and shared on its platform for global reference. Then in July, Tzu Chi received the Bronze Award for "Environmental Behavior Change" at the Global Good Awards. This award highlighted Taiwan's environmental protection efforts and used SROI to showcase the changes and impacts brought about by Tzu Chi and its recycling volunteers."

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## Plant-Based Diets to Save the Earth: Zero-Waste Eating

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This is not only a call to environmental action but showing respect for life and a commitment to sustainable living.

Our food and agricultural systems profoundly affect both human and planetary health. Tzu Chi promotes vegetarianism and zero-waste eating as solutions to mitigate global warming.

According to the Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change (IPCC), transitioning to plant-based food systems is crucial for alleviating the climate crisis. At the UNFCCC's COP 28, over ninety restaurants offered the "1.5°C Menu," featuring primarily vegan or vegetarian options with clearly labeled carbon footprints. This is how plant-based diets have transcended religious boundaries to become a new lifestyle embraced by mainstream society.

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## Plantarium (an integrated plant-based lifestyle space) - Opened on June 5, 2023

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This co-creation space is dedicated to fostering a green economy, empowering youth, and promoting low-carbon plant-based diets. It is a resource-rich exhibition space where young people, experts, and industry leaders passionate about sustainable development can collaborate. This platform drives the green trend and serves as a gateway for the public to embrace plant-based diets, embodying the "Do Good Together" philosophy.

The space features a cooking classroom, a baking classroom, a Jing Si Books & Cafe, a plant-based supermarket, and a buffet restaurant specializing in light vegan meals. The aim is to make plant-based culture widespread, encouraging more people to integrate respect for life and responsibility for the Earth into every meal and choice, contributing to a healthier planet.



## Vegetarian Eco-Friendly Meal Ordering Platform--Since 2021

With the outbreak of COVID-19 and the rise of delivery services, the volume of single-use containers increased dramatically. In 2021, Tzu Chi launched Taiwan's first eco-friendly vegetarian meal ordering platform, with the goal of "Order VO2 to Reduce CO2." Starting as a pilot in Hualien, the platform includes meal ordering, online payment, dedicated delivery vehicles, fixed pickup points, and reusable meal boxes, providing a zero-waste delivery service to promote plant-based diets and reduce carbon emissions.

20 participating  
restaurants

61,000 meals ordered

17 pickup points

85,400 kg of CO2  
emissions saved

1,000 registered users

36,000 single-use  
containers saved

Received the 2023 TSAA Taiwan  
Sustainable Action Gold Award for

## SDG12 Responsible Consumption and Production



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## Eco-Friendly International Tourism--Since 2021

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In collaboration with the Hualien County Environmental Protection Bureau, Tzu Chi is helping to promote net-zero green living and encouraging the hospitality industry to increase the proportion of vegetarian options in their breakfast menus. The aim is to make Hualien an eco-friendly international tourist city. By 2023, 12 hotels had been certified as vegetarian-friendly. The plan will continue in 2024 with the certification of "Plant-based Hotels for a Tourist Friendly Hualien," contributing to environmental sustainability.



**6** promotional seminars  
**400+** hospitality providers participated  
**3** plant-based breakfast cooking classes  
with **100+** participants from the hospitality industry.  
**12** eco- and vegetarian-friendly hotels were certified  
for the first time in Hualien in 2023.

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## Future Market--Since December 2022

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The Future Market combines vegetarian food, music, and environmental protection to promote a healthy, eco-friendly, and sustainable lifestyle. The market encourages more plant-based eating to reduce environmental impact, supports the use of reusable tableware to cut down on single-use plastics, and reduces waste production. Small changes by individuals can collectively lessen the burden on the planet.



**4** events  
**80,000+** participants  
**22,500** customers (about 3 purchases per person)  
**52,650** kg of CO2 saved  
Participant use of reusable tableware rose from **30% --> 60%**  
**40%** were vegetarians  
**> 90%** support a plant-based lifestyle for the planet

# Action 5

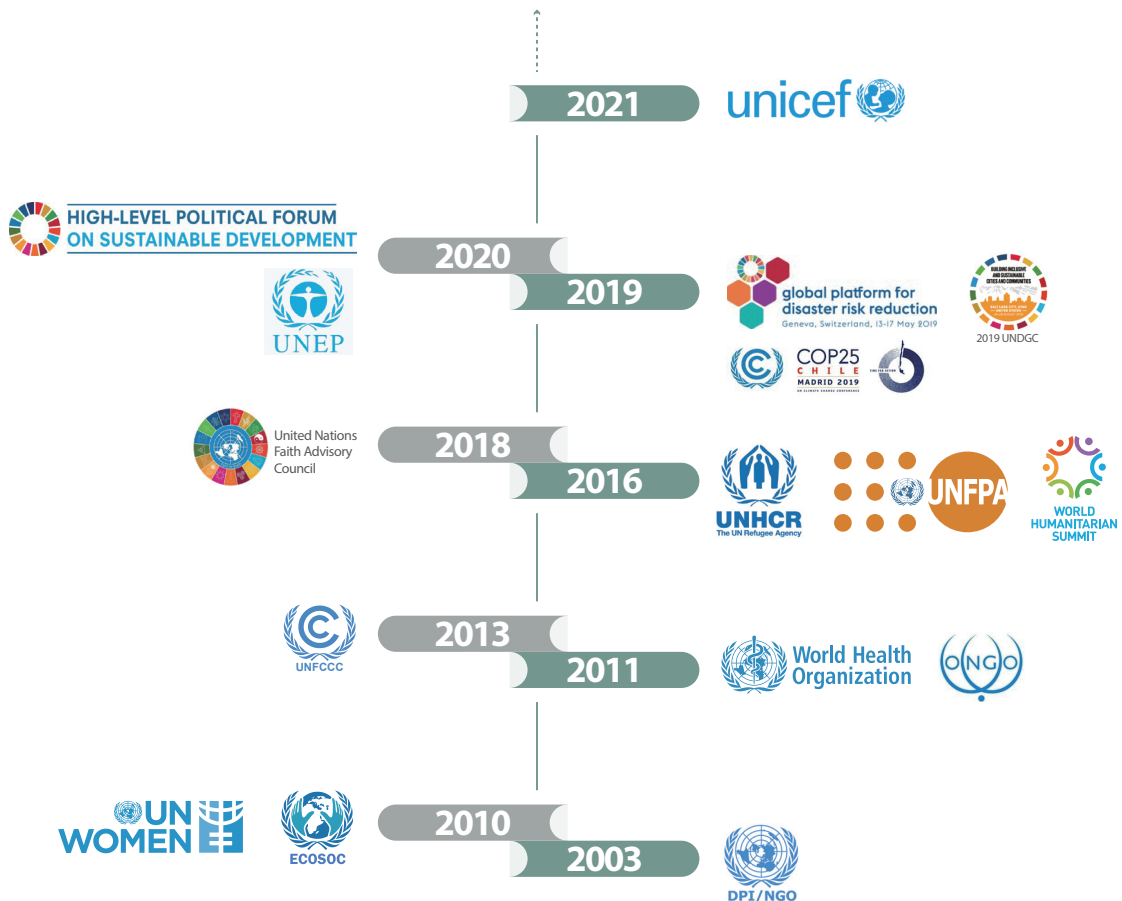
## Foster Global Partnerships and Sustainable Development



How can we break down the barriers between the Sustainable Development Goals (SDGs) and drive collective progress towards multiple goals?

Through collaboration between public and private sectors, and promoting corporate social responsibility, we foster professional partnerships, enabling resource sharing and synergies that amplify the impact of charitable endeavors. Active participation in UN conferences and forums generates frequent collaborations between Tzu Chi and external partners, enhancing Tzu Chi's visibility in mainstream society, promoting interfaith dialogue and charitable cooperation, and strengthening the influence of goodness.

### 16 United Nations Platforms





## 5-1 Global Partnerships for a Sustainable Future

In 2023, Tzu Chi continued to collaborate with over 30 international charitable organizations and local charities, expanding global charitable reach.

Tzu Chi is a global charity that, in addition to local grassroots efforts, actively promotes humanitarian aid, environmental protection, and social development through participation in United Nations conferences and collaboration with global partners. We strive towards the goal of "Aligning with SDGs and Deepening ESG."

We actively participate in international affairs, playing a crucial role in various United Nations meetings. Since 2010, Tzu Chi has been a special consultative member of the United Nations Economic and Social Council (ECOSOC) and has participated in multiple UN Climate Change Conferences (COP) and other significant international meetings. Moreover, we work with global partners to promote the Sustainable Development Goals (SDGs).

In disaster relief operations worldwide, Tzu Chi demonstrates its spirit of "Great Love Without Borders" through cross-national, interfaith, and cross-organizational collaborations. This approach expands the range and scope of aid, helping more people in need.

### 29 International Humanitarian Organization Partners



## 5-2 Collaborating for the Common Good of Society



In 2023, Tzu Chi expanded its "Corporate Goodness" initiative to include partnerships with 55 companies. This initiative integrates resources from various industries to address significant sustainable development issues, such as supporting disadvantaged families, children's education, elderly safety, youth development, international disaster relief, and achieving net-zero carbon emissions. These efforts align with the United Nations Sustainable Development Goals (SDGs) and embody corporate social responsibility (CSR) and the core values of environmental, social, and governance (ESG).

Through these partnerships, we enhance social cohesion, promote compassion, and play a critical role in disaster prevention and relief. These collaborations allow companies to showcase their brand value and social impact, contributing to creating a better society.



### Public and Private Sector Collaborations: Amplifying Charitable Efforts

| Companies                       | Collaborative Projects  |
|---------------------------------|---|
| <b>PX Mart</b>                  | Issuance of Tzu Chi Charity Cash Cards, and Emergency Relief Cash Cards.  |
| <b>Carrefour Taiwan</b>         | Provision of disaster relief materials, customized manufacturing of disaster relief supplies, and collaboration on public welfare activities.   |
| <b>Taiwan Water Corporation</b> | Provision of emergency water supply and water purification technology for international disaster relief, along with technical consultation and guidance for water purification technology education and training. |
| <b>HCT Logistics</b>            | Transportation and dispatch of disaster relief materials through warehouse management systems, as well as operations and education training for material management.  |
| <b>FamilyMart</b>               | Provision of disaster-specific e-wallets for accessing supplies at nearby convenience stores during emergencies.  |
| <b>Foxconn Technology Group</b> | Provision of hardware and health monitoring systems, and digital health care for the elderly.   |
| <b>Sunfar Computer</b>          | Provision of refurbished computers to support digital education for underprivileged students.   |

## 5-3 Tzu Chi Discourse for Global Engagement

Tzu Chi emphasizes selfless love, humanitarian spirit, social responsibility, and economic value. Volunteers of Tzu Chi receive no compensation, pay for their own expenses, take leave from work, make their own arrangements, and make regular donations. Such dedication is why Tzu Chi has a high social return on investment (SROI). For example, based on Tzu Chi's model, every dollar invested in Jing Si Halls generates \$8.50 in charitable benefits, recycling efforts produce \$6.30 in benefits, and recycling assistive devices create \$81.18 in societal benefits, reducing the financial burden on beneficiaries.

Tzu Chi actively participates in United Nations activities, presenting at UN General Assembly sessions to showcase its contributions and achievements toward climate change, food crises, and environmental protection. This increases Tzu Chi's global engagement while making substantial contributions to global sustainable development.

Tzu Chi is dedicated to three major goals: "organizational optimization," "information transparency," and "sustainable social responsibility." In 2015, Tzu Chi published its first sustainability report, demonstrating its commitment to social responsibility. Tzu Chi's "Six Pillars of Compassionate Action" promotes international certification of its discourse, spreading its love and good deeds globally. For the "2020-2021 Sustainability Report," Tzu Chi was the sole recipient of the "2023 SGS ESG Awards for Diversity and Inclusion." This award primarily recognizes Tzu Chi's spirit of diversity and inclusion, which is implemented in its organizational culture, employee care, and the creation of a diverse, equitable, and inclusive work environment. Additionally, through international relief efforts, Tzu Chi contributes to and responds to the United Nations' Sustainable Development Goals, including the procurement and donation of vaccines during the pandemic, exerting a positive influence.

### Public and Private Sector Collaborations: Amplifying Charitable Efforts

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#### Participation in UN and International Conferences

UN Women's Conference  
 UN Vesak Day  
 UN Asia-Pacific Climate Forum  
 UNHCR General Assembly  
 UN High-Level Political Forum  
 International Philanthropy Forum  
 Parliament of the World's Religions  
 UN Food Systems Summit  
 UN Climate Change Conference (COP28)  
 Global Refugee Forum  
 Global Faith Leaders Summit

#### Forums and Symposiums Hosted by Tzu Chi

8th Tzu Chi Forum  
 Global Symposium for Common Goodness  
 Symposium on the Theory and Practice of the Teachings of Dharma Master Yin Shun

#### Key Collaborative Projects

- Tzu Chi signed a memorandum of cooperation with Berkeley Haas School of Business and Tzu Chi University of Science and Technology to conduct joint programs related to innovation and knowledge sharing at the educational level.
- Signed MOU with Harvard University's Faculty of Arts and Sciences CAMLab for an immersive multimedia exhibition project featuring the story of Ven. Cheng Yen and Tzu Chi.

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## 2023 Parliament of the World's Religions: Showcasing Tzu Chi's Charitable Actions

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The Parliament of the World's Religions is the largest global interfaith gathering, founded in 1893, promoting interreligious dialogue and harmony. The theme for 2023 was A Call to Conscience: Defending Freedom & Human Rights, with exhibitions and forums highlighting the influence of global compassion and action.

Tzu Chi participated in parallel forums, interactive exchanges, and showcased exhibitions like "The Life of Buddha," "The Climate Village," and "Green Buddhism: Turning Trash into Treasure." A Buddhist prayer room was also established, where three Jing Si Abode masters led a collective Buddha bathing ceremony to introduce more people to Tzu Chi.

Master Cheng Yen was invited to speak at the closing ceremony via video, emphasizing the urgency of adopting a plant-based diet and responsible consumption to combat extreme climate events. She highlighted Tzu Chi's humanitarian aid in Nepal, India, Türkiye, and Poland, urging everyone to act with compassion to alleviate global suffering. She emphasized, "Regardless of faith, our goal is to purify hearts and bring harmony to the world. This is a shared vision between you, me and every person. Therefore, we must seize this life to purify people's hearts. This is the grand path."



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## COP28: Dialogue Through Action and Collaboration

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The UNFCCC's COP28 was held in Dubai from November 30 to December 12, with nearly 200 countries and regions and over 90,000 attendees. Tzu Chi participated by presenting its efforts.

Key themes included reviewing global carbon reduction targets of the Paris Agreement, reducing fossil fuels, and discussing details of the "Loss and Damage Fund," with climate-related health impacts addressed for the first time.



As the rotating chair of the UN Faith-Based Organizations Council and UNEP observer, Tzu Chi participated in forums, dialogues, interviews, and prayer meetings, sharing practical climate change projects and collaborating with multiple religious organizations to promote climate action, focusing on the relationship between climate, refugees, and food systems.

CEO Po-wen Yen and Mozambican Tzu Chi volunteer Dino Foi shared via video conference from Jing Si Abode in Taiwan about the disasters brought by climate change and Tzu Chi's response actions. They emphasized plant-based diets, responsible consumption, and spiritual purification to reduce harm to the Earth. Dino Foi highlighted the severe climate impacts in Mozambique, calling for enhanced education and community activities to address climate issues.

Tzu Chi's commitment to climate action and the importance of interfaith and cross-cultural cooperation in solving the global climate crisis were highlighted.

Participated in and collaborated on **10** forums, **2** interfaith dialogues, **2** interviews, and **1** prayer meeting.

Showcased Tzu Chi's climate care activities at the **Faith Pavilion**.

Shared the **Great Love Farm** project to build sustainable food systems in multiple African countries, enhancing local climate resilience.

Promoted experiences in **vegetarianism** and **energy-saving carbon reduction**, enhancing climate adaptation capabilities through international exchanges.



## 8th Tzu Chi Forum: Towards a New Era of Equality

### What more can we do in the face of resource inequality?

The 8th Tzu Chi Forum theme, Towards a New Era of Equality, explored six major areas: Distributive Justice and Labor Equality, Homeless Care and Housing Justice, Urban Transformation and Appropriate Development of Urban and Rural Areas, Lifestyle Transformation and Community Climate Action, Green Energy and Just Transition, and Agro-food Imaginations and Global Food.

There were also two sub-forums. The Tzu Chi Studies Sub-Forum explored topics including Compassionate Relief and Humanistic Altruism, Internationalization of Tzu Chi Study, and Tzu Chi Study on Women's Leadership. The Youth Sub-Forum addressed issues such as Youth Poverty and Menstrual Equality.

Renowned scholars and experts from domestic and international backgrounds participated in lectures, seminars, thematic forums, and sub-forums to collectively seek strategies to address social inequality. The event included five keynote speeches, six panel discussions, four Tzu Chi Studies sub-



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forums, and six youth sub-forums, with 35 papers presented in total.

Among the notable speakers was Solomon Darwin, Executive Director of the Garwood Center for Corporate Innovation at UC Berkeley. As an Indian immigrant to the United States and growing up with the caste system, he has long been concerned about poverty in Indian society and founded hospitals in India to give back to his community. Another prominent speaker was Yotam Polizer, CEO of IsraAID, Israel's largest humanitarian NGO, leading over 300 members in humanitarian relief efforts across 15 countries, including collaboration with Tzu Chi to assist Ukrainian refugees in Poland.

During the closing ceremony, alongside speeches and expectations from various experts and scholars, Solomon Darwin, on behalf of UC Berkeley's Haas School of Business, signed an MOU with Tzu Chi University of Science and Technology and Tzu Chi Foundation. This collaboration aims to foster curriculum cooperation, with the hope that knowledge innovation and sharing will take root through education, collectively promoting social equality and sustainable development.

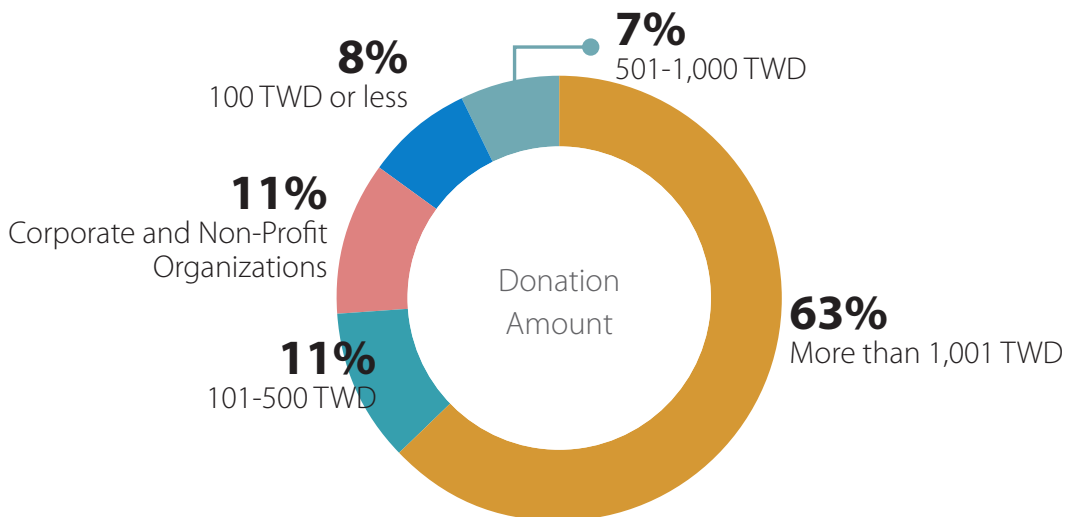
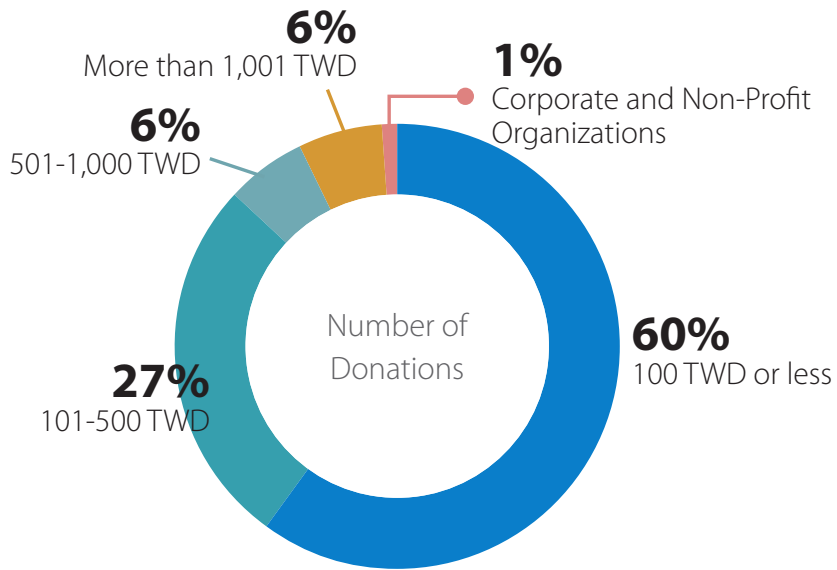


# 2023 Financial Overview

Tzu Chi Foundation's financial statements for 2023 were audited by KPMG Taiwan. The audit report, issued on May 23, 2023, received an unqualified opinion, as follows:

Tzu Chi Charity Foundation's financial statements for the years ended December 31, 2023 and 2022, have been audited. These statements include the balance sheets, income statements, statements of changes in net assets, cash flow statements, and notes to the financial statements (summarizing significant accounting policies). The auditors have concluded that these statements fairly present the Foundation's financial position at year-end 2023 and 2022, its operating results, and its cash flows for those years, in accordance with relevant accounting standards of the Republic of China.

The donation income in 2023 was calculated according to the number and amount of donations.



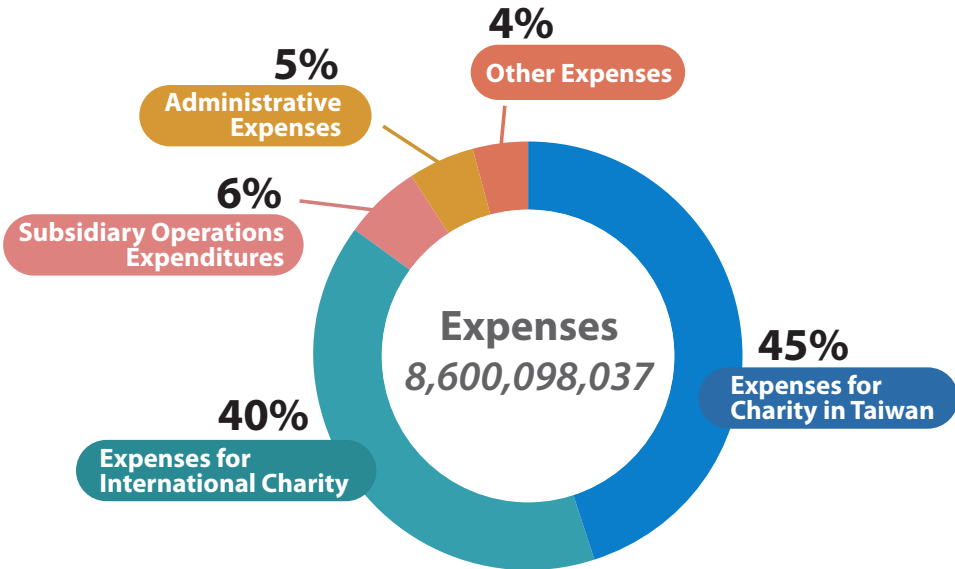
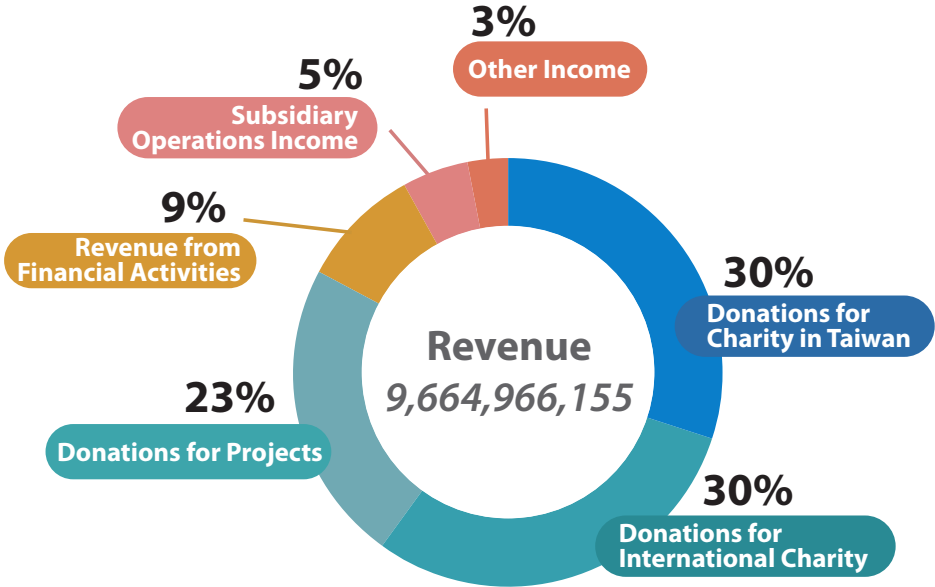
**Explanation:**

1. The donations to the Tzu Chi Foundation are based on the core values of inspiring compassion and promoting a cycle of goodness in society. Every act of kindness is invaluable.
2. We are grateful to Tzu Chi volunteers who regularly visit donating members to share updates on Tzu Chi's missions and raise funds. The use of technology to solicit donations has amplified the power of good deeds. In 2023, individual donations of 1,000 TWD or less accounted for 93% of total donations.
3. We also appreciate the contributions from corporate and non-profit organizations, which accounted for 11% of the donation amount in 2023, collectively alleviating suffering and fostering social well-being.



# 2023 Revenue and Expenses

Unit: TWD



I. Charity in Taiwan:

1. Community and rural poverty alleviation: Long-term assistance for disadvantaged families and groups, home care, scholarships and grants, emergency relief, health promotion, and community development.
2. Long-term care services: Promotion of long-term care services and establishment of long-term care centers, care for elderly living alone, and management of community care centers.
3. Youth public welfare development: Promotion of youth public welfare development, talent cultivation, youth spiritual growth, and participation in public welfare services.
4. Welfare services for women, children, and the disabled: Institutional care and financial support, school resource support, and nutritional support.
5. Disaster prevention, preparedness, and relief: Disaster relief, disaster reduction, and preparedness projects, development of disaster relief materials and equipment, activation of disaster relief and housing, school reconstruction projects, and provision of PPEs.
6. Environmental sustainability projects: Promotion of environmental protection education, recycling and reuse of resources, innovative technology development, and activation of net-zero carbon emission projects.

II. Charity Internationally:

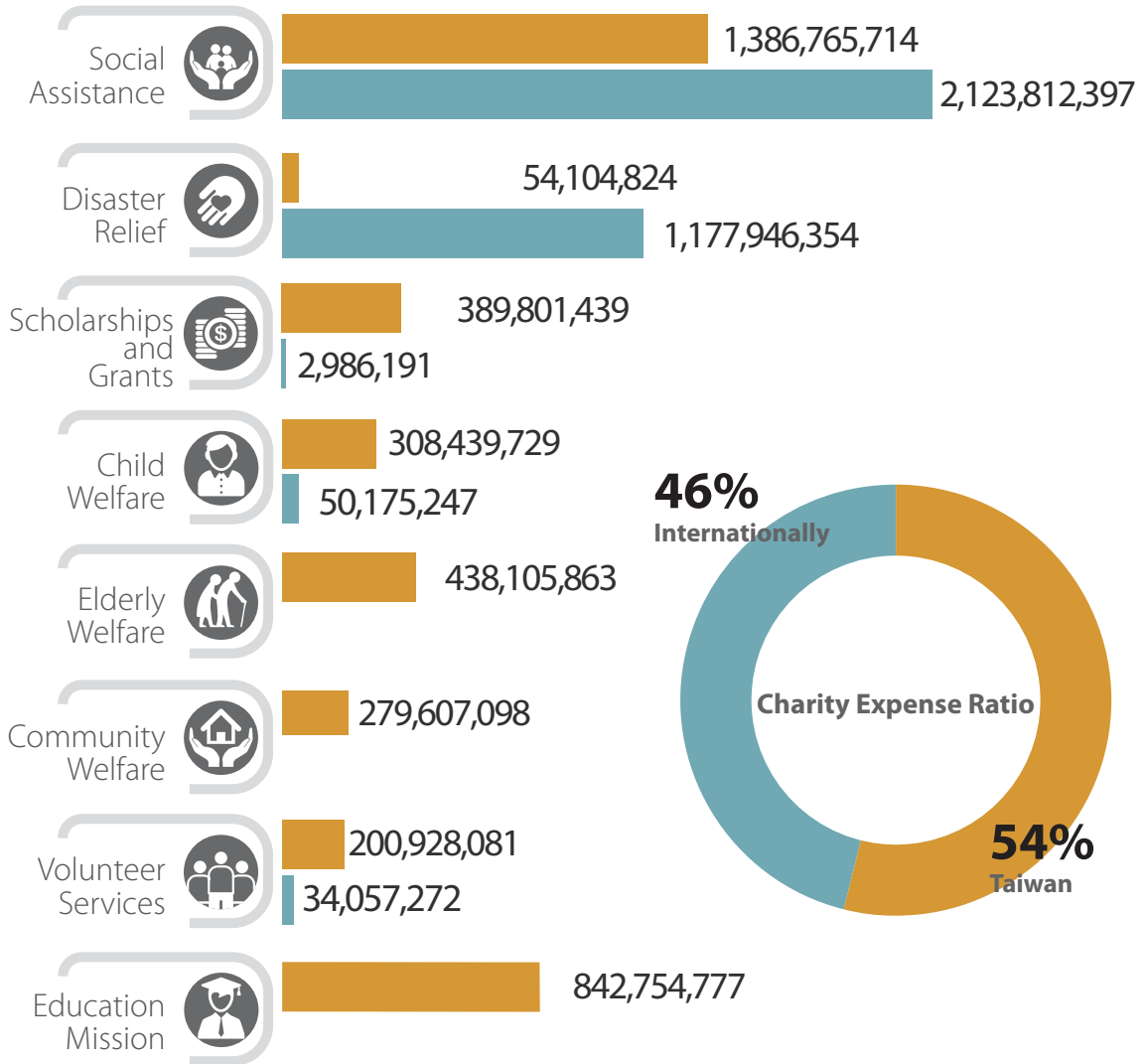
1. Disaster relief and post-disaster reconstruction: In 2023, in response to the Türkiye-Syria earthquake, we initiated relief actions for quake survivors in Türkiye and Syria.
2. Long-term assistance for refugees: Provision of living, education, and medical subsidies for displaced refugees around the world.
3. Relief for hunger, out-of-school children, orphans, and impoverished families: Various poverty alleviation projects to support global efforts against hunger, ensure education for children, provide aid for orphans, and assist impoverished families.

# 2023 Charity Expenses in Taiwan and Internationally

Thank you to all donors worldwide who help us protect Taiwan and extend Taiwan's love to countries facing major disasters and poverty.

■ Charity Expenses in Taiwan  
■ Charity Expenses Internationally

Unit: TWD





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***We are Here  
and  
We are Willing!  
Illuminating the World with Love and Kindness***

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(English Translation of Financial Statements and Report Originally Issued in Chinese)

**BUDDHIST TZU CHI CHARITY FOUNDATION**  
**FINANCIAL STATEMENTS**

**With Independent Auditor' s Report**  
**For the Years Ended December 31, 2023 and 2022**

**Address : No.1, Ln. 88, Jingshe St., Xincheng Township, Hualien County, Taiwan**  
**Telephone : +886-3-8266779**

The independent auditor' s report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditor' s report and financial statements, the Chinese version shall prevail.

## **Independent Auditor’ s Report**

To the Board of Directors of  
BUDDHIST TZU CHI CHARITY FOUNDATION:

### **Opinion**

We have audited the financial statements of Buddhist Tzu Chi Charity Foundation (the “Foundation” ), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of surplus and deficit, changes in net assets and cash flows for the years ended December 31, 2023 and 2022, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the National social benefit foundation accounting method and financial statement reporting standard and Enterprise Accounting Standards and their related Interpretations announced by the Accounting Research and Development Foundation of the Republic of China.

### **Basis for opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditor’ s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with National social benefit foundation accounting method and financial statement reporting standard and Enterprise Accounting Standards and their related Interpretations announced by the Accounting Research and Development Foundation of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation’ s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

### **Auditor’ s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’ s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’ s internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management’ s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation’ s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’ s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’ s report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor' s report is Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)

May 23, 2024

#### **Notes to Readers**

The accompanying financial statements are intended only to present the statement of financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditor' s report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditor' s report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)

**Buddhist Tzu Chi Charity Foundation**

**Balance Sheets**

**December 31, 2023 and 2022**

(Expressed in New Taiwan Dollar)

| Assets   | December 31, 2023         |            | December 31, 2022      |            | Liabilities and net assets                | December 31, 2023         |            | December 31, 2022      |            |
|--|---------------------------|------------|------------------------|------------|---|---------------------------|------------|------------------------|------------|
|  | Amount                    | %          | Amount                 | %          |   | Amount                    | %          | Amount                 | %          |
| <b>Current assets:</b>   |                           |            |                        |            | <b>Current liabilities:</b>               |                           |            |                        |            |
| Cash and cash equivalents (note 5(a))  | \$ 6,493,584,305          | 5          | 6,196,964,679          | 5          | Other payables (note 6)                   | \$ 931,795,292            | 1          | 1,178,566,691          | 1          |
| Current investments in debt instrument without active market (note 5(e))     | 1,878,089                 | -          | 45,619,238             | -          | Advance receipts                          | 4,364,496                 | -          | 4,180,175              | -          |
| Notes receivable   | 4,220,241                 | -          | 715,555                | -          | Other current liabilities (note 6)        | 153,322,245               | -          | 154,893,701            | -          |
| Accounts receivable  | 84,042,831                | -          | 64,894,323             | -          | <b>Total current liabilities</b>          | <b>1,089,482,033</b>      | <b>1</b>   | <b>1,337,640,567</b>   | <b>1</b>   |
| Other receivables (note 6)   | 302,577,678               | -          | 340,503,025            | -          | <b>Non-current liabilities:</b>           |                           |            |                        |            |
| Other current assets (note 6)  | 348,663,593               | -          | 299,703,595            | -          | Guarantee deposits received - non-current | 72,668,245                | -          | 82,386,817             | -          |
| <b>Total current assets</b>  | <b>7,234,966,737</b>      | <b>5</b>   | <b>6,948,400,415</b>   | <b>5</b>   | <b>Total liabilities</b>                  | <b>1,162,150,278</b>      | <b>1</b>   | <b>1,420,027,384</b>   | <b>1</b>   |
| <b>Non-current assets:</b>   |                           |            |                        |            | <b>Net assets (note 5(l)):</b>            |                           |            |                        |            |
| Funds (note 5(b))  | 32,284,093,791            | 25         | 32,185,799,854         | 25         | Permanent restricted net assets           | 83,317,990,205            | 64         | 83,348,598,885         | 64         |
| Non-current available-for-sale financial assets (note 5(c))                  | 3,710,948,369             | 3          | 3,730,879,594          | 3          | Temporarily restricted net assets         | 24,533,428,389            | 19         | 23,316,164,857         | 18         |
| Non-current financial assets at cost (note 5(d))                             | 81,455,976                | -          | 81,455,976             | -          | Unrestricted net assets                   | 18,975,101,508            | 14         | 19,096,888,242         | 15         |
| Non-current investments in debt instrument without active market (note 5(e)) | -                         | -          | 1,878,089              | -          | Other net assets                          | 2,290,653,805             | 2          | 2,367,124,745          | 2          |
| Investments accounted for using equity method (note 5(f))                    | 4,588,090,602             | 4          | 4,762,560,676          | 4          | <b>Total net assets</b>                   | <b>129,117,173,907</b>    | <b>99</b>  | <b>128,128,776,729</b> | <b>99</b>  |
| Investment property (note 5(g))  | 1,028,374,574             | 1          | 1,029,512,070          | 1          |   |                           |            |                        |            |
| Property, plant and equipment (note 5(h))                                    | 80,997,359,125            | 62         | 80,511,607,073         | 62         |   |                           |            |                        |            |
| Intangible assets (note 5(i))  | 5,722,814                 | -          | -                      | -          |   |                           |            |                        |            |
| Other non-current assets (note 6 and 7)                                      | 348,312,197               | -          | 296,710,366            | -          |   |                           |            |                        |            |
| <b>Total non-current assets</b>  | <b>123,044,357,448</b>    | <b>95</b>  | <b>122,600,403,698</b> | <b>95</b>  |   |                           |            |                        |            |
| <b>Total assets</b>  | <b>\$ 130,279,324,185</b> | <b>100</b> | <b>129,548,804,113</b> | <b>100</b> | <b>Total liabilities and net assets</b>   | <b>\$ 130,279,324,185</b> | <b>100</b> | <b>129,548,804,113</b> | <b>100</b> |



(English Translation of Financial Statements Originally Issued in Chinese)

**Buddhist Tzu Chi Charity Foundation**

**Statements of Surplus and Deficit**

**For the years ended December 31, 2023 and 2022**

**(Expressed in New Taiwan Dollar)**

|   | 2023                  |            | 2022                 |            | Difference          |             |
|---|-----------------------|------------|----------------------|------------|---------------------|-------------|
|   | Amount                | %          | Amount               | %          | Amount              | %           |
| <b>Revenues:</b>  |                       |            |                      |            |                     |             |
| Donation revenue (note 5(m) and 6)  | \$ 8,049,120,489      | 83         | 7,103,855,105        | 77         | 945,265,384         | 13          |
| Interest income   | 700,347,218           | 7          | 308,170,607          | 3          | 392,176,611         | 127         |
| Dividend income   | 143,351,264           | 2          | 93,562,476           | 1          | 49,788,788          | 53          |
| Income from sales of goods or services (note 5(m) and 6)                                  | 179,457,892           | 2          | 155,622,591          | 2          | 23,835,301          | 15          |
| Income from subsidiary operation organizations (note 10)                                  | 498,541,964           | 5          | 489,355,485          | 5          | 9,186,479           | 2           |
| Other income (note 5(m))  | 94,147,328            | 1          | 1,046,055,264        | 12         | (951,907,936)       | (91)        |
| <b>Total revenues</b>   | <b>9,664,966,155</b>  | <b>100</b> | <b>9,196,621,528</b> | <b>100</b> | <b>468,344,627</b>  | <b>5</b>    |
| <b>Expenditures:</b>  |                       |            |                      |            |                     |             |
| Operating expenses (note 5(m), 6 and 11)  | 7,289,484,986         | 75         | 6,829,883,063        | 74         | 459,601,923         | 7           |
| Administration expenses (note 5(m), 6 and 11)   | 424,124,664           | 4          | 383,784,961          | 4          | 40,339,703          | 11          |
| Cost of sale of goods or services (note 5(m) and 6)                                       | 186,554,098           | 2          | 172,010,752          | 2          | 14,543,346          | 8           |
| Expenses from subsidiary operation organizations (note 10)                                | 523,879,844           | 5          | 497,022,251          | 5          | 26,857,593          | 5           |
| Other expenses (note 5(m))  | 176,054,445           | 2          | 177,364,470          | 2          | (1,310,025)         | (1)         |
| <b>Total Expenditures</b>   | <b>8,600,098,037</b>  | <b>88</b>  | <b>8,060,065,497</b> | <b>87</b>  | <b>540,032,540</b>  | <b>7</b>    |
| <b>Net surplus (deficit)</b>  | <b>1,064,868,118</b>  | <b>12</b>  | <b>1,136,556,031</b> | <b>13</b>  | <b>(71,687,913)</b> | <b>6</b>    |
| <b>Other comprehensive surplus (deficit):</b>   |                       |            |                      |            |                     |             |
| Unrealized gains (losses) on valuation of available-for-sale financial assets (note 5(c)) | (19,429,168)          | -          | (529,239,676)        | (5)        | 509,810,508         | (96)        |
| Exchange differences on translation of foreign financial statements (note 5(f))           | (57,041,772)          | (1)        | 176,667,628          | 2          | (233,709,400)       | (132)       |
| <b>Other comprehensive surplus (deficit)</b>  | <b>(76,470,940)</b>   | <b>(1)</b> | <b>(352,572,048)</b> | <b>(3)</b> | <b>276,101,108</b>  | <b>(78)</b> |
| <b>Comprehensive surplus (deficit)</b>  | <b>\$ 988,397,178</b> | <b>11</b>  | <b>783,983,983</b>   | <b>10</b>  | <b>204,413,195</b>  | <b>26</b>   |

(English Translation of Financial Statements Originally Issued in Chinese)

**Buddhist Tzu Chi Charity Foundation**

**Statements of Changes in Net assets**

**For the years ended December 31, 2023 and 2022**

**(Expressed in New Taiwan Dollar)**

|   | Restricted net assets    |                        | Unrestricted net assets       |                               | Other net assets  |   | Total                  |
|---|--------------------------|------------------------|-------------------------------|-------------------------------|---|---|------------------------|
|   | Permanent restricted     | Temporarily restricted | Net assets for specific usage | Accumulated surplus (deficit) | Unrealized gains (losses) on valuation of available-for-sale financial assets | Exchange differences on translation of foreign financial statements |                        |
| <b>Balance on January 1, 2022</b>               | \$ 82,395,719,800        | 22,843,523,844         | 16,700,000,000                | 2,685,852,309                 | 2,999,761,534   | (280,064,741)   | 127,344,792,746        |
| 2022 net surplus (deficit)                      | -                        | -                      | -                             | 1,136,556,031                 | -   | -   | 1,136,556,031          |
| Increase (decrease) in other net assets in 2022 | -                        | -                      | -                             | -                             | (529,239,676)   | 176,667,628   | (352,572,048)          |
| Total comprehensive surplus (deficit)           | -                        | -                      | -                             | 1,136,556,031                 | (529,239,676)   | 176,667,628   | 783,983,983            |
| Change in restricted net assets:                |                          |                        |                               |                               |   |   |                        |
| Change in registration of fund                  | 952,879,085              | (1,172,033,591)        | -                             | 219,154,506                   | -   | -   | -                      |
| Capital expenditures                            | -                        | 1,669,488,174          | -                             | (1,669,488,174)               | -   | -   | -                      |
| Bone marrow donation fund                       | -                        | (1,615,222)            | -                             | 1,615,222                     | -   | -   | -                      |
| Funding from project                            | -                        | (23,198,348)           | -                             | 23,198,348                    | -   | -   | -                      |
| <b>Balance on December 31, 2022</b>             | <b>83,348,598,885</b>    | <b>23,316,164,857</b>  | <b>16,700,000,000</b>         | <b>2,396,888,242</b>          | <b>2,470,521,858</b>  | <b>(103,397,113)</b>  | <b>128,128,776,729</b> |
| 2023 net surplus (deficit)                      | -                        | -                      | -                             | 1,064,868,118                 | -   | -   | 1,064,868,118          |
| Increase (decrease) in other net assets in 2023 | -                        | -                      | -                             | -                             | (19,429,168)  | (57,041,772)  | (76,470,940)           |
| Total comprehensive surplus (deficit)           | -                        | -                      | -                             | 1,064,868,118                 | (19,429,168)  | (57,041,772)  | 988,397,178            |
| Change in restricted net assets:                |                          |                        |                               |                               |   |   |                        |
| Change in registration of fund                  | (30,608,680)             | -                      | -                             | 30,608,680                    | -   | -   | -                      |
| Capital expenditures                            | -                        | 1,053,164,260          | -                             | (1,053,164,260)               | -   | -   | -                      |
| Bone marrow donation fund                       | -                        | 229,099                | -                             | (229,099)                     | -   | -   | -                      |
| Funding from project                            | -                        | 163,870,173            | -                             | (163,870,173)                 | -   | -   | -                      |
| <b>Balance on December 31, 2023</b>             | <b>\$ 83,317,990,205</b> | <b>24,533,428,389</b>  | <b>16,700,000,000</b>         | <b>2,275,101,508</b>          | <b>2,451,092,690</b>  | <b>(160,438,885)</b>  | <b>129,117,173,907</b> |

(English Translation of Financial Statements Originally Issued in Chinese)

**Buddhist Tzu Chi Charity Foundation**

**Statements of Cash Flows**

**For the years ended December 31, 2023 and 2022**

**(Expressed in New Taiwan Dollar)**

|  | <u>2023</u>             | <u>2022</u>            |
|--|-------------------------|------------------------|
| <b>Cash flows from (used in) operating activities:</b>                         |                         |                        |
| Net surplus (deficit) before income tax  | \$ 1,064,868,118        | 1,136,556,031          |
| <b>Adjustments:</b>  |                         |                        |
| <b>Adjustments to reconcile surplus (deficit):</b>                             |                         |                        |
| Interest income  | (700,347,218)           | (308,170,607)          |
| Dividend income  | (143,351,264)           | (93,562,476)           |
| Income from donated items  | -                       | (5,307,000)            |
| Depreciation expense   | 594,344,452             | 515,115,247            |
| Amortization expense   | 8,833,104               | 8,076,738              |
| Losses on consolidated available-for-sale financial assets                     | 502,057                 | -                      |
| Gains on disposal and scrap of property, plant and equipment                   | (22,087,369)            | (2,387,947)            |
| Losses on investments accounted for using equity method                        | 108,990,032             | 177,354,059            |
| Change of property, plant and equipment  | 146,708,144             | -                      |
| Unrealized losses (gains) on foreign currency exchange                         | 86,027,578              | (978,319,023)          |
| <b>Changes in operating assets and liabilities:</b>                            |                         |                        |
| (Increase) decrease in notes receivable  | (3,504,686)             | 2,336,185              |
| (Increase) decrease in accounts receivable                                     | (19,148,508)            | 9,975,607              |
| Increase in other receivables  | (38,411,258)            | (50,956,060)           |
| (Increase) decrease in other current assets                                    | (48,959,998)            | 237,669,487            |
| (Decrease) increase in other payables  | (246,771,399)           | 243,769,029            |
| Increase (decrease) in advance receipts  | 184,321                 | (9,423,462)            |
| Decrease in other current liabilities  | (1,571,456)             | (4,243,930)            |
| <b>Net cash flows from operating activities</b>                                | <u>786,304,650</u>      | <u>878,481,878</u>     |
| <b>Cash flows from (used in) investing activities:</b>                         |                         |                        |
| Acquisition of investments in debt instrument without active market            | -                       | (19,060,902)           |
| Proceeds from disposal of investments in debt instrument without active market | 45,619,238              | 26,736,117             |
| Acquisition of property, plant and equipment                                   | (1,239,027,424)         | (1,749,944,797)        |
| Proceeds from disposal of property, plant and equipment                        | 35,447,641              | 76,732,215             |
| Acquisition of Intangible assets   | (6,479,180)             | -                      |
| (Increase) decrease in funds   | (164,099,272)           | 24,813,570             |
| Decrease in other non-current assets   | 17,317,546              | 114,051,689            |
| Interest received  | 699,687,708             | 184,506,583            |
| Dividend received  | 159,085,052             | 104,904,103            |
| <b>Net cash flows used in investing activities</b>                             | <u>(452,448,691)</u>    | <u>(1,237,261,422)</u> |
| <b>Cash flows from (used in) financing activities:</b>                         |                         |                        |
| (Decrease) increase in guarantee deposits received                             | (9,718,572)             | 8,185,715              |
| <b>Net cash flows (used in) from financing activities</b>                      | <u>(9,718,572)</u>      | <u>8,185,715</u>       |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>            | (27,517,761)            | 66,863,605             |
| <b>Net Increase (decrease) in cash and cash equivalents</b>                    | 296,619,626             | (283,730,224)          |
| <b>Cash and cash equivalents at beginning of period</b>                        | 6,196,964,679           | 6,480,694,903          |
| <b>Cash and cash equivalents at end of period</b>                              | <u>\$ 6,493,584,305</u> | <u>6,196,964,679</u>   |

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

## **Buddhist Tzu Chi Charity Foundation**

### **Notes to the Financial Statements**

**For the years ended December 31, 2023 and 2022**

#### **(1) Foundation history**

The BUDDHIST TZU CHI CHARITY FOUNDATION(hereinafter referred to as Tzu Chi) envisions "purifying hearts, harmonizing society, and a world free of disasters." With loving-kindness, compassion, joy, and equanimity, Tzu Chi works to relieve suffering and bring joy to those in need.

Tzu Chi was established in 1966 in Hualien, Taiwan, under the name "Buddhist Tzu Chi Merit Association." Led by Dharma Master Cheng Yen, she and six monastic disciples produced an extra pair of baby shoes each day, and along with thirty women saving fifty cents (approx. 0.02 USD) daily from their grocery money, Tzu Chi began its charity efforts to aid the poor.

In the 1970s, Tzu Chi's charitable footprints (Mission of Charity) expanded from the east to the whole of Taiwan. Master Cheng Yen led the commissioners in making home visits all across Taiwan, witnessing the cycle of poverty and illness. Thus, in 1972, a free clinic was established on Ren Ai Street in Hualien to provide free medical services and medicine. However, severe cases still needed to be transferred to Taipei for treatment, posing challenges due to the long distance. Consequently, in 1979, Master Cheng Yen appealed for the construction of a comprehensive hospital in Hualien.

To fund the construction of the hospital, in January 1980, the Buddhist Tzu Chi Merit Association affiliated with the Jing Si Abode donated TWD 2.6 million TWD to legally register the "Buddhist Compassion Relief Tzu Chi Foundation," later renamed in 1994 to "Buddhist Tzu Chi Charity Foundation."

Tzu Chi experienced numerous challenges in establishing the Mission of Medicine, ranging from fundraising to finding land. Finally, in 1986, Tzu Chi Hospital, the first hospital that did not require a deposit from patients to receive care, commenced its operations, serving as a cornerstone to safeguard lives. Initially, the hospital experienced difficulties recruiting talent and instilling a culture of humanistic care. Tzu Chi subsequently established its education mission with the Tzu Chi College of Nursing (now Tzu Chi University of Science and Technology) and Tzu Chi College of Medicine (now Tzu Chi University). With a focus on "character education, life education, and education for the whole person," the goal was to nurture healthcare professionals with both excellent skills and a humanistic ethos. From 1989 to 2000, Tzu Chi achieved a comprehensive education system - spanning from kindergarten, elementary school, middle school, and university to graduate school levels.

The launch of the "Tzu Chi Monthly" magazine in 1967 marked the beginning of Tzu Chi's Mission of Culture. In 2004, the original Mission of Culture covering text, sound, and images, was renamed the Mission of Humanistic Culture to embody the essence of Tzu Chi's humanistic spirit.

In the 1990s, Taiwan experienced rapid economic development, but social problems also emerged. In 1991, Tzu Chi, along with the Government Information Office of the Executive Yuan and the Council of Labor Affairs of the Ministry of Labor, organized a lecture series titled "A Life of Happiness," advocating for kindness among people. Subsequently, Tzu Chi collaborated with the King Car Cultural and Educational Foundation to co-host the event, "Toward a Pure Land on Earth", promoting environmental protection and cherishing the Earth. This transformed the act of collecting recyclables from a mere resource recovery effort to a proactive endeavor in safeguarding the planet. Treating the "matters of the Earth" as "our own matters," Tzu Chi has translated environmental protection ideas and advocacy into global action for the past thirty years.

## **BUDDHIST TZU CHI CHARITY FOUNDATION**

### **Notes to the Financial Statements**

In 1991, Tzu Chi provided aid to Bangladesh after a tropical cyclone caused severe floods, launching its international disaster relief efforts. In the same year, when severe floods in China affected 200 million people, adhering to the principles of respecting life and humanitarian care, Tzu Chi overcame numerous challenges to engage in emergency relief, housing construction, and building schools. During the 1999 Chi-Chi earthquake, the energy of great love surged, with over 500,000 people participating in Tzu Chi's disaster relief efforts and the reconstruction of 51 schools in an effort called Project Hope, demonstrating the boundless potential and compassion of civil society. Additionally, the disaster relief experience in China developed into an international relief model. Today, Tzu Chi's international relief efforts have expanded from Taiwan to 133 countries and regions worldwide. These acts of kindness have brought Taiwan global recognition.

In 2003, the Buddhist Tzu Chi Foundation officially became a member of the United Nations Committee on NGOs of the Department of Public Information. In July 2010, it obtained consultative status with the United Nations Economic and Social Council (ECOSOC) as a non-governmental organization. It also collaborates with the United Nations High Commissioner for Refugees (UNHCR) to assist refugees.

In promoting charitable work, besides actively proposing solutions to existing problems, Tzu Chi also explores the root causes of social issues, proactively engaging in "preventive charity work." In-depth analysis found that many family and social problems, natural and human-made disasters, wars, and conflicts all stem from confused human values. Tzu Chi adheres to the Buddha's teachings as its core values in carrying out preventive and responsive charity efforts. Furthermore, in addition to helping the poor, the rich must also be guided to realize that "spiritual wealth is the greatest wealth."

To engage in charitable work locally and enable prompt mobilization of community volunteers, Tzu Chi has established a network of 104 offices and Jing Si Halls throughout Taiwan. These facilities and community volunteers provide support to disadvantaged families, carry out disaster prevention and relief, offer long-term community care, care for disadvantaged groups, support community institutions, and hold charitable exhibitions and community classes. They also promote holistic community learning, volunteer training, religious care education, health promotion, environmental education, and youth public welfare. Additionally, volunteers across various regions also provide their own spaces for Tzu Chi to promote charitable work and serve the community.

It is said that "Bodhisattvas will appear to aid the suffering wherever there is a need." In 2021, as the world continued to be shrouded by the COVID-19 pandemic, in addition to combating the virus, Tzu Chi's aid for the poor and hungry did not stop. Over the years, Tzu Chi has garnered the trust of the society in Taiwan and worldwide, as demonstrated by the tangible and intangible donations, small and large, that have continuously been provided by the community. These serve as a constantly replenishing reservoir of love, necessary for aiding suffering beings during unpredictable natural disasters, pandemics, and conflicts. The donation of five million doses of the COVID-19 vaccine to the Taiwanese society in 2021 is just one example of these efforts. The initiative to purchase vaccines stemmed from Master Cheng Yen's compassion. At that time, Taiwan's COVID-19 situation was worsening, causing public panic, and student infections led to school closures. To calm the public and allow young students to receive vaccines, Tzu Chi made the "impractical" decision to purchase 15 million doses of the BNT vaccine (the only one authorized by the FDA for adolescents), which was in short supply in Taiwan. This demonstrated the resilience of cross-national and cross-industry collaboration among Taiwan's public, private, and non-profit organizations, bringing significant stability and harmony to society.

## **BUDDHIST TZU CHI CHARITY FOUNDATION**

### **Notes to the Financial Statements**

Tzu Chi has grown through challenges, holding onto the principle that “if it is the right thing to do, just do it!” Looking into the future, the organization maintains an unwavering spirit of compassion for the world and a conviction to protect all sentient beings. Its great love expressed in the Buddhist principles of “unconditional loving-kindness and universal compassion” remains unchanged. Tzu Chi will continue to shoulder the responsibility of being an international charitable organization, guiding individuals to embrace those in suffering, offering help to those in need, allowing the impoverished to break free from hardship, providing treatment for the sick, and giving security to students, adults, and the elderly.

Based on actual needs and its financial situations, the Foundation is to carry out the following undertakings in accordance with the law:

- (a) Relief for living subsistence and medical aids of people in emergency and disaster.
- (b) International emergency relief.
- (c) Funding for educational undertakings.
- (d) Handling of humanity undertakings.
- (e) Subsidies for medical undertakings.
- (f) Handling of early childhood education
- (g) Handling of child and juvenile welfare.
- (h) Handling of welfare for the physically or mentally challenged.
- (i) Handling of welfare for the elderly.
- (j) Handling of long-term care services.
- (k) Handling and promotion of agricultural research and development, production, management and other agricultural charity matters.
- (l) Handling of environmental protection education and resource recycling.
- (m) Handling of other social welfare and public welfare matters.

With the development of the Missions of Medicine, Education, and Humanistic Culture, independent legal entities have been established, namely the Buddhist Tzu Chi Medical Foundation, Tzu Chi Education Foundation, and Tzu Chi Culture and Communication Foundation. However, since its establishment, the Buddhist Tzu Chi Charity Foundation has undertaken the major responsibility of serving as the headquarters, raising manpower, resources, and funds externally to support the construction and operational needs of Tzu Chi’ s Four Missions and Eight Dharma Footprints. In recent years, per legal requirements and the continued growth of Tzu Chi’ s missions, Tzu Chi Charity Foundation continues to adhere to the principles of Buddhism with the Mission of Charity as its core, while initiating plans for the development of the Four Missions and Eight Dharma Footprints.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

The headquarters of Tzu Chi is located in Hualien, Taiwan, with registered branch offices established in Japan, the United States, the Philippines, Vietnam, Sri Lanka, Jordan, Eswatini, Cambodia, and the Dominican Republic.

Tzu Chi has approved the establishment of affiliated operational units: Taipei Great Love Kindergarten, Tainan Great Love Kindergarten, Hualien Great Love Kindergarten, Chiayi Dalin Great Love Kindergarten, Kaohsiung Great Love Kindergarten, Hualien Great Love Nursery, Chiayi Dalin Great Love Nursery, Taichung Kindergarten, and 24 long-term care institutions.

#### (2) Approval date and procedures of the financial statements

These financial statements were authorized for issuance by the Board of Directors on May 23, 2024.

#### (3) Summary of material accounting policies

The material accounting policies presented in the financial statements are summarized below. The following accounting policies were applied consistently throughout the periods presented in the financial statements.

##### (a) Statement of compliance

These financial statements have been prepared in accordance with the National social benefit foundation accounting method and financial statement reporting standard (hereinafter referred to as the Regulation) and Enterprise Accounting Standards and their related Interpretations announced by the Accounting Research and Development Foundation of the Republic of China. (hereinafter referred to as "EAS").

##### (b) Basis of preparation

###### (i) Basis of measurement

Except for available-for-sale financial assets are measured at fair value, the financial statements have been prepared on a historical cost basis.

###### (ii) Functional and presentation currency

The functional currency of the Foundation is determined based on the primary economic environment in which the Foundation operates. The financial statements are presented in New Taiwan dollar(NTD), which is the Foundation's functional currency.

##### (c) Foreign currencies

###### (i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Foundation at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences are recognized in surplus or deficit.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

Non monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Non-monetary items in a foreign currency that are measured at fair value are retranslated using the exchange rate at the date when fair value was measured. When a gain or loss on a non-monetary item is recognized in other comprehensive surplus, the related exchange gain or loss is recognized in other comprehensive surplus. Conversely, when a gain or loss on a non-monetary item is recognized in surplus or deficit, the related exchange gain or loss is recognized in surplus or deficit.

(ii) Foreign operations

The assets and liabilities of foreign operations, are translated to the reporting currency at the exchange rates at the reporting date. The income and expenses of foreign operations, are translated at the average exchange rate. Translation differences are recognized in other comprehensive surplus.

When the settlement of a monetary receivable from, or payable to, a foreign operation is neither planned nor likely to occur in the foreseeable future, the exchange differences arising thereon form part of the net investment in the foreign operation and are recognized in other comprehensive surplus.

(d) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non current.

- (i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting date; or
- (iv) The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non current.

- (i) It is expected to be settled in the normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting date; or
- (iv) The foundation does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.



## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(e) Cash and cash equivalents

Cash comprises cash on hand, demand deposits, and time deposits or investments that can be readily converted to known amounts of cash and have an insignificant risk of changes in value and are short-term and highly liquid,

(f) Financial instruments

Financial assets and financial liabilities are initially recognized when the Foundation becomes a party to the contractual provisions of the instruments.

(i) Financial assets

Financial assets are classified into the following categories: Available-for-sale financial assets, receivables and financial assets at cost.

1) Available-for-sale financial assets

Available-for-sale financial assets are non derivative financial assets that are designated as available-for-sale or are not classified in any of the other categories of financial assets. Available-for-sale financial assets are recognized initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value, and changes therein, other than impairment losses, interest income calculated using the effective interest method, dividend income, and foreign currency differences on available-for-sale debt instruments, are recognized in other comprehensive surplus and accumulated in the fair value reserve in net asset. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to surplus or deficit. A regular way purchase or sale of financial assets is recognized and derecognized, as applicable, using trade-date accounting.

Dividend income is recognized in surplus and deficit on the date that the Foundation's right to receive payment is established, which in the case of quoted securities is normally the ex dividend date. Such dividend income is included in the surplus and deficit.

Interest income from debt instruments is recognized in surplus and deficit.

2) Receivables

Receivables is financial asset with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, receivables other than insignificant interest on short term receivables are measured at amortized cost using the effective interest method, less any impairment losses. A regular way purchase or sale of financial assets is recognized and derecognized, as applicable, using trade-date accounting.

Interest income is recognized in surplus or deficit.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

#### 3) Financial assets at cost

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognized initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost, less any impairment losses.

#### 4) Impairment of financial assets

Except for financial assets at fair value through profit or loss, financial assets are assessed for impairment at each reporting date. A financial asset is impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the issuer or obligor, a breach of contract (such as a default or delinquency in interest or principal payments), it becoming probable that the borrower will enter bankruptcy or other financial reorganization, or the disappearance of an active market for a security because of financial difficulties. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is considered objective evidence of impairment

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Foundation's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as the observable changes in national or local economic conditions that correlate with default on receivables.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

An impairment loss in respect of a financial asset measured at cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss is not reversible in subsequent periods.

An impairment loss in respect of a financial asset is reflected in an allowance account against the carrying amount. When it is determined a financial asset is uncollectible, it is written off from the allowance account. The amounts that were previously written off and subsequently withdrawn are credited to the allowance account. Changes in the amount of the allowance account are recognized in surplus or deficit. An impairment loss in respect of a financial asset measured at cost is reflected directly against the carrying amount.

Impairment losses on available for sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve in equity to surplus or deficit.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

If, in a subsequent period, the amount of impairment loss on a financial asset measured at amortized cost decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the decrease in impairment loss is reversed through profit or loss to the extent that the carrying value of the asset does not exceed its amortized cost before impairment was recognized at the reversal date.

Impairment losses recognized on an available-for-sale equity security are not reversed through surplus or deficit. Any subsequent recovery in the fair value of an impaired available for sale equity security is recognized in other comprehensive surplus, and accumulated in other equity. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed, with the amount of the reversal recognized in surplus or deficit.

#### 5) Derecognition of financial assets

Financial assets are derecognized when the contractual rights of the cash inflow from the assets are terminated, or when the Foundation transfers substantially all the risks and rewards of ownership of the financial assets.

On derecognition of a financial asset in its entirety, the difference between the carrying amount, and the sum of the consideration received or receivable and any cumulative gain or loss that had been recognized in other comprehensive surplus and accumulated in equity, is recognized in surplus or deficit and is included in non-operating income and expenses.

#### (ii) Financial liabilities

1) Financial liabilities not classified as held for trading or designated as at fair value through profit or loss are measured at fair value, plus any directly attributable transaction costs on initial recognition. Subsequent to initial recognition, they are measured at amortized cost calculated using the effective interest method.

#### 2) Derecognition of financial liabilities

The Foundation derecognizes a financial liability when its contractual obligation has been discharged or cancelled, or has expired. The difference between the carrying amount of a financial liability derecognized and the consideration paid and payable (including any non-cash assets transferred or liabilities assumed) is recognized in surplus or deficit, and is included in non-operating income or expenses.

#### 3) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets when, and only when, the Foundation currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

#### (g) Investment in subsidiaries

Subsidiaries are entities controlled by the Foundation. The Foundation control an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Foundation reassesses whether it controls an investee if facts and circumstances change.

The Foundation uses the equity method to account for an investee that it controls in preparing the financial statements. Under the equity method, the profit or loss and other comprehensive income are attributed to the owners of the parent and to the non-controlling interests on the basis of the proportion of existing ownership interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Foundation' s ownership interest in a subsidiary that do not result in a loss of control of a subsidiary are equity transactions with owners.

#### (h) Investment property

Some of the properties of the Foundation were purchased for gifts or for business development. However, the development plan changed or the review period was long, so the relevant properties were temporarily rented out, and the income continued to be poured into the charity fund, which were classified as investment properties. Investment properties are measured at cost on initial recognition and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment. The cost includes expenditures directly attributable to the acquisition of investment properties. The cost of self-built investment assets includes raw materials and direct labor, and any other directly attributable costs that are necessary to bring the assets to a usable state for the intended purpose.

When the use of an investment property changes such that it is reclassified as property, plant and equipment, its book value at the time of the change in use is used for reclassification.

#### (i) Property, plant and equipment

##### (i) Recognition and measurement

Items of property, plant and equipment are initially recognized at cost and subsequently measured at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures directly attributable to acquiring the asset. The cost of self-built assets comprises raw materials and direct labor, any other directly attributable costs of bringing the assets to a working condition for their intended purpose, the costs of dismantling and removing the item and restoring the site.

Gains or losses on disposal of property, plant and equipment are determined by the difference between the carrying amount of the property, plant and equipment and the disposal price, and the net amount is recognized in the current surplus or deficit.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(ii) Subsequent cost

Subsequent expenditures on property, plant and equipment are recognized as part of the carrying amount of the item if it is probable that future economic benefits associated with the expenditures will flow to the Foundation and the amount can be measured reliably, and the carrying amount of the replaced portion of the item is derecognized. The cost of routine maintenance of property, plant and equipment is recognized in the current surplus or deficit.

(iii) Depreciation

Depreciation is calculated on the cost of an asset, less its residual value, and is recognized in surplus or deficit on a straight line basis over the estimated useful life.

Land is not depreciated.

The estimated useful lives for the current and comparative periods of significant items of property, plant and equipment are as follows:

- |                        |            |
|------------------------|------------|
| 1) Buildings           | 7~50 years |
| 2) Operating equipment | 5~15 years |

(iv) Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the use of the property changes from owner occupied to investment property.

(j) Intangible assets

(i) Recognition and measurement

Intangible assets, including computer software, that are acquired by the Foundation are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortization

The amortizable amount is the cost of an asset less its residual value. Amortization is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for current and comparative periods are three years. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

#### (k) Lease

##### (i) Lessor

Lease income from an operating lease is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred from negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and recognized as an expense over the lease term on the same basis as the lease income.

##### (ii) Lessee

Leases other than finance leases are classified as operating leases. Payments made under operating leases (excluding insurance and maintenance expenses) are recognized in profit or loss on a straight-line basis over the lease term.

#### (l) Impairment of non-financial assets

At each reporting date, the Foundation reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs) .

The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value, less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### (m) Revenue

Income of the Foundation consists mainly of donation income, financial income and other income. Donation revenue is mainly from individuals or businesses, and government donation is recognized as government subsidy when received. Financial income consists of income from sales of goods and services, including rental income, registration fees from events, sales of agricultural products and others.

## **BUDDHIST TZU CHI CHARITY FOUNDATION**

### **Notes to the Financial Statements**

(i) Donation revenue

Donation Revenue is categorized according to the purpose specified by the donor at the time of donation. Before January 1, 2015, donation revenue of the Foundation was categorized as charitable-, international-, and constructional-donation revenue; while, since January 1, 2015, donation revenue of the Foundation was reclassified as charitable- and international-donation revenue. Charitable donations are applied on construction of domestic poverty relieving, emergency relief, post-disaster and disaster mitigation reconstruction, welfare of community, recycling station, community-caring center and long-term caring center for elderly, and also sponsored in education, medical care and humanities. The international donation revenue is mainly used to promote international disaster relief, post-disaster reconstruction, humanitarian aid and related construction.

(ii) In-kind contribution

In-kind contribution is any donation of property, real estate, and other rights with fair value or reduction of liabilities, which is received by the Foundation at no cost. Donation received with specific purpose assigned would be recognized as funds or, revenue of current period. While, it will not be recognized as donation revenue, only accounting in the list of the Foundation' s property, if the fair value of the in-kind donation is not determined.

(iii) Project fundraisings

In line with "Public Welfare Advisory Ordinance" , the Foundation shall set up a purpose-designed account to receive donation, and also issue the receipts with the application number of the funding project. And the usage of the funds shall be earmarked in accordance with the execution plan of the fundraising project.

If surplus exists, plan for the use of the funds shall be prepared within 3 months after the completion of the program for the same purpose as the original fund-raising activities, and submitted to the authorities for approval. Upon completion of the plan for use of the proceeds from the fundraising activities, the use of such proceeds shall be submitted to the Board of Directors for approval, announced and publicly solicited, and reported to the authorities for review, together with a report of the results, details of the expenditures, and relevant supporting documents.

(iv) Government subsidies

Government subsidies are recognized as government grant revenue in the period in which the related costs are incurred, when the prerequisites of the government subsidies are met and the government subsidies can be received.

(v) Volunteer service

The volunteer services provided by the volunteers are a manifestation of the Foundation' s commitment in promoting the Buddhist teachings of "kindness, compassion, joy, and equanimity" and are not quantified in the financial statements.

(vi) Revenue recognized in accordance with the percentage-of-completion.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(n) Employee benefits

(i) Defined contribution plans

Obligations for contributions to the defined contribution pension plans are recognized as an employee benefit expense in surplus or deficit in the periods during which services are provided by employees.

(ii) Defined benefit plans

The Foundation has established an Employees' Retirement Plan for employees and has set up an Employees' Retirement Reserve Fund Supervisory Committee since September 2000, which makes monthly contributions of 2% of the total paid salaries to the Employees' Retirement Reserve Fund. Starting from January 1, 2009, the Foundation has made monthly contributions of 15% of the total paid salaries to the Employees' Retirement Reserve Fund, which is deposited in the Employees' Retirement Reserve Fund account and charged as the current year's expenses. When the employees retire, the reserve fund will first be paid out from the account, and if there is any shortfall, it will be borne by the Foundation, and will be listed as an annual expense. The pension fund account is excluded from the financial report of the Foundation.

(o) Income taxes

In line with Article 4, Paragraph 1, Subparagraph 13 of the Income Tax Act, the income of the Foundation and the income of its subsidiaries, except for the income from the sale of goods and services, is exempt from income tax if it meets the "Standards Governing Application of Income Tax Exemption to Educational, Cultural, Public Welfare, Charitable Organizations or Institutions" enacted by the Executive Yuan, and if it is unqualified with criteria above, the Foundation will be subject to income tax in accordance with the law.

If the subsidiaries the Foundation are classified as profit-making enterprises subject to income tax under the Income Tax Act, they shall be subject to income tax in accordance with the provisions of the Income Tax Act if they have surpluses.

**(4) Significant accounting assumptions and judgments, and major sources of estimation uncertainty**

The preparation of the financial statements in conformity with Regulations and EAS requires management to make estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the next period.



## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

#### (5) Explanation of significant accounts

##### (a) Cash and cash equivalents

|                              | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|------------------------------|------------------------------|------------------------------|
| Cash on hand                 | \$ 39,897,298                | 36,549,556                   |
| Checking and demand deposits | 4,846,475,480                | 4,921,917,815                |
| Time deposits                | 809,451,393                  | 440,270,746                  |
| Short-term bills             | 797,760,134                  | 798,226,562                  |
| Cash and cash equivalents    | <b>\$ 6,493,584,305</b>      | <b>6,196,964,679</b>         |

##### (b) Funds

The funds details of the Foundation are as follows:

|                             | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|-----------------------------|------------------------------|------------------------------|
| Registered fund             | \$ 6,603,004,500             | 6,603,004,500                |
| Designated fund             | 16,184,076,358               | 16,245,658,500               |
| Temporarily restricted fund | 9,497,012,933                | 9,337,136,854                |
| Total                       | <b>\$ 32,284,093,791</b>     | <b>32,185,799,854</b>        |

(i) The registered fund is the cash assets of the total assets approved by the board of directors.

##### (ii) Designated fund

|                    | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|--------------------|------------------------------|------------------------------|
| Charity fund       | \$ 5,088,781,326             | 5,098,642,583                |
| Construction fund  | 5,605,944,709                | 5,648,994,181                |
| International Fund | 5,489,350,323                | 5,498,021,736                |
| Total              | <b>\$ 16,184,076,358</b>     | <b>16,245,658,500</b>        |

The use of the above charity fund, construction fund and international fund has been designated and supervised by the Board of Directors. When a business department incurs expenditure, it needs to submit a plan for review and approval by the Board of Directors.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(iii) Temporarily restricted fund

|                           | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|---------------------------|------------------------------|------------------------------|
| Business development fund | \$ 9,310,829,458             | 9,315,052,651                |
| Bone marrow donation fund | 21,711,747                   | 21,482,648                   |
| Project fundraising       | 164,471,728                  | 601,555                      |
| Total                     | <b>\$ 9,497,012,933</b>      | <b>9,337,136,854</b>         |

- 1) The business development fund is a fund that the Board of Directors resolved to allocate less than 20% of the total income of the Foundation from 2009 to 2016 in accordance with the "Regulations on Permission and Supervision of Social Welfare Business Foundations Overseen by the Ministry of Health and Welfare". The fund has been deposited into a special financial institution account, which cannot be withdrawn unless approved by the Board of Directors. The "Regulations on Permission and Supervision of Social Welfare Business Foundations Overseen by the Ministry of Health and Welfare" was repealed by the Ministry of Health and Welfare on February 1, 2019, and has been reclassified from liabilities to temporarily restricted net assets since 2018 due to the application of standards of reporting codification, as referred to in Note 5(l).
- 2) The bone marrow donation fund is a fund designated by the donor. As of December 31, 2023 and 2022, the fund has been deposited in a special account of a financial institution and may not be expended for purposes other than those specified by the donors, please refer to Note 5(l).
- 3) Details of the project fundraising are as follows:

|  | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|--|------------------------------|------------------------------|
| 2023 Global Charity Collaboration Fund | \$ 164,471,728               | -                            |
| 2022 Global Charity Collaboration Fund | -                            | 601,555                      |
| Total                                  | <b>\$ 164,471,728</b>        | <b>601,555</b>               |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

- a) Project fundraising is the funds for various disaster relief projects organized by the Foundation. The income and expenditure of the relevant projects are as follows:

| <u>Project name</u>        | <u>2023 Global<br/>Charity<br/>Collaboration Fund</u> | <u>2022 Global<br/>Charity<br/>Collaboration Fund</u> | <u>2021 Global<br/>Charity<br/>Collaboration Fund</u> |
|----------------------------|---|---|---|
| Project fundraising period | 2023.01.01~<br>2023.12.31                             | 2022.01.01~<br>2022.12.31                             | 2021.01.01~<br>2021.12.31                             |
| Project period             | 2023.01.01~<br>in progress                            | 2022.01.01~<br>2023.01.31                             | 2021.01.01~<br>2022.01.21                             |
| Income in 2021             | \$ -  | -   | 3,516,633,950   |
| Expenses in 2021           | -   | -   | (3,562,834,922)                                       |
| Income in 2022             | -   | 1,470,916,580   | -   |
| Expenses in 2022           | -   | (1,639,951,021)                                       | (91,181)  |
| Income in 2023             | 2,249,378,404   | -   | -   |
| Expenses in 2023           | (2,141,702,809)                                       | -   | -   |
| Net amount                 | <u>\$ 107,675,595</u>                                 | <u>(169,034,441)</u>                                  | <u>(46,292,153)</u>                                   |
| Accumulated income         | \$ 2,249,378,404                                      | 1,470,916,580   | 3,516,633,950   |
| Accumulated expenses       | (2,141,702,809)                                       | (1,639,951,021)                                       | (3,562,926,103)                                       |
| Net amount                 | <u>\$ 107,675,595</u>                                 | <u>(169,034,441)</u>                                  | <u>(46,292,153)</u>                                   |

- b) The projects of 2022 and 2021 Global Charity Collaboration Fund have been completed and reported to the authority for closure, and all relevant insufficient funds have been paid by the Foundation.
- c) As of December 31, 2023, the deposits for 2023 Global Charity Collaboration Fund were \$164,471,728, and after deducting the aid payable of \$56,796,133, the remaining balance was \$107,675,595 .
- d) Please refer to the announcement on the website of the Foundation for the details of the implementation of the relevant project fundraising. The fund has been deposited in a special account of a financial institution and cannot be used for non-project based fundraising activities, please refer to Note 5(I).

- (c) Non-current available-for-sale financial assets

|             | <u>December 31,<br/>2023</u> | <u>December 31,<br/>2022</u> |
|-------------|------------------------------|------------------------------|
| Stocks      | \$ 3,702,609,027             | 3,722,218,238                |
| Mutual fund | 8,339,342                    | 8,661,356                    |
| Total       | <u>\$ 3,710,948,369</u>      | <u>3,730,879,594</u>         |

(Continued)

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

The gain or (loss) from available-for-sale financial assets currently recognized in other comprehensive surplus (deficit) amounted to \$(19,931,225) and \$(529,239,676) in 2023 and 2022, respectively; the net assets currently reclassified as surplus and (deficit) amounted to \$(502,057) and \$0 in 2023 and 2022, respectively.

(d) Non-current financial assets at cost

|  | December 31,<br>2023 | December 31,<br>2022 |
|--|----------------------|----------------------|
| Unlisted common shares                 |                      |                      |
| Universal Container Terminal Co., Ltd. | \$ 69,818,186        | 69,818,186           |
| Hualien 2nd Credit Cooperative         | 1,138,400            | 1,138,400            |
| Chuanfa Construction Co., Ltd.         | 8,060,000            | 8,060,000            |
| Da Ai Television Co., Ltd.             | 2,439,390            | 2,439,390            |
| Total                                  | <b>\$ 81,455,976</b> | <b>81,455,976</b>    |

The aforementioned investments held by the Foundation are measured at amortized cost at year-end since the equity instruments do not have an active market quoted price; therefore, the Foundation management had determined that the fair value cannot be measured reliably.

(e) Non-current investments in debt instrument without active market

|  | December 31,<br>2023 | December 31,<br>2022 |
|--|----------------------|----------------------|
| Time deposits with a commitment period of more than one year | <b>\$ 1,878,089</b>  | <b>47,497,327</b>    |
| Current  | \$ 1,878,089         | 45,619,238           |
| Non-current  | -                    | 1,878,089            |
| Total  | <b>\$ 1,878,089</b>  | <b>47,497,327</b>    |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(f) Investments accounted for using equity method

A summary of the Foundation's financial information for investments accounted for using the equity method at the reporting date is as follows:

|  | December 31, 2023              |               | December 31, 2022           |               |
|--|--------------------------------|---------------|-----------------------------|---------------|
|  | Carry amount                   | Share holding | Carry amount                | Share holding |
| Subsidiaries                             |                                |               |                             |               |
| DA.AI Technology Co., Ltd.               | \$ 217,812,909                 | 100.00%       | 213,281,207                 | 100.00%       |
| Intex Industries Co., Ltd.               | 486,655,012                    | 99.99%        | 483,860,255                 | 99.99%        |
| Tzuchi Center Co., Ltd.                  | 1,978,465,080                  | 100.00%       | 2,086,554,225               | 100.00%       |
| Da Ai Gan En Ecotech Co. Ltd.            | 1,168,923,978                  | 100.00%       | 1,196,538,676               | 100.00%       |
| Cheng Du Da Ai Gan En Ecotech Co. Ltd.   | 545,530,203                    | 100.00%       | 552,791,842                 | 100.00%       |
| Shenzhen Tzuchi Charity Center Co., Ltd. | 171,426,094                    | 100.00%       | 205,149,217                 | 100.00%       |
| Xiamen Tzuchi Charity Co., Ltd.          | 43,288,166                     | 100.00%       | 46,049,943                  | 100.00%       |
| Suzhou Tzuchi Clinic Co., Ltd.           | <u>(24,010,840)</u>            | 76.98%        | <u>(21,664,689)</u>         | 76.98%        |
|  | <b><u>\$ 4,588,090,602</u></b> |               | <b><u>4,762,560,676</u></b> |               |

None of the subsidiaries of the Foundation accounted for using the equity method are important subsidiaries. Their summary financial information is as follows. These financial information are included in the financial report of the Foundation:

|   | 2023                           | 2022                      |
|---|--------------------------------|---------------------------|
| The Foundation's share based on the subsidiaries' financial statements: |                                |                           |
| Net surplus (deficit) from continuing operations                        | \$ (108,990,032)               | (177,354,059)             |
| Other comprehensive surplus (deficit)                                   | <u>(49,746,254)</u>            | <u>171,803,733</u>        |
| Total comprehensive surplus (deficit)                                   | <b><u>\$ (158,736,286)</u></b> | <b><u>(5,550,326)</u></b> |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(g) Investment property

The cost and depreciation of the investment property of the Foundation for the years ended December 31, 2023 and 2022, were as follows:

|                              | Land                           | Buildings and<br>construction | Total                       |
|------------------------------|--------------------------------|-------------------------------|-----------------------------|
| Cost:                        |                                |                               |                             |
| Balance at January 1, 2023   | \$ 1,005,432,763               | 54,599,792                    | 1,060,032,555               |
| Balance at December 31, 2023 | <b><u>\$ 1,005,432,763</u></b> | <b><u>54,599,792</u></b>      | <b><u>1,060,032,555</u></b> |
| Balance at January 1, 2022   | \$ 1,005,432,763               | 54,599,792                    | 1,060,032,555               |
| Balance at December 31, 2022 | <b><u>\$ 1,005,432,763</u></b> | <b><u>54,599,792</u></b>      | <b><u>1,060,032,555</u></b> |
| Depreciation:                |                                |                               |                             |
| Balance at January 1, 2023   | \$ -                           | 30,520,485                    | 30,520,485                  |
| Depreciation for the year    | -                              | 1,137,496                     | 1,137,496                   |
| Balance at December 31, 2023 | <b><u>\$ -</u></b>             | <b><u>31,657,981</u></b>      | <b><u>31,657,981</u></b>    |
| Balance at January 1, 2022   | \$ -                           | 29,382,989                    | 29,382,989                  |
| Depreciation for the year    | -                              | 1,137,496                     | 1,137,496                   |
| Balance at December 31, 2022 | <b><u>\$ -</u></b>             | <b><u>30,520,485</u></b>      | <b><u>30,520,485</u></b>    |
| Carrying amounts:            |                                |                               |                             |
| Balance at December 31, 2023 | <b><u>\$ 1,005,432,763</u></b> | <b><u>22,941,811</u></b>      | <b><u>1,028,374,574</u></b> |
| Balance at January 1, 2022   | <b><u>\$ 1,005,432,763</u></b> | <b><u>25,216,803</u></b>      | <b><u>1,030,649,566</u></b> |
| Balance at December 31, 2022 | <b><u>\$ 1,005,432,763</u></b> | <b><u>24,079,307</u></b>      | <b><u>1,029,512,070</u></b> |

The Foundation acquires or receives donation of real estate due to community needs. After the planning, to further utilize the original buildings or surrounding land, the Foundation leases them out for rent, and continuously pours back the income earned for the use of our charity funds. As of December 31, 2023 and 2022, the investment property of the Foundation was not pledged as collateral.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(h) Property, plant and equipment

The cost and depreciation of the property, plant and equipment of the Foundation for the years ended December 31, 2023 and 2022, were as follows:

|                              | Land                     | Land<br>improvements | Buildings and<br>construction | Operating<br>equipment | Construction<br>in progress | Total                 |
|------------------------------|--------------------------|----------------------|-------------------------------|------------------------|-----------------------------|-----------------------|
| Cost:                        |                          |                      |                               |                        |                             |                       |
| Balance at January 1, 2023   | \$ 56,695,604,669        | 215,300,607          | 23,840,954,312                | 208,638,925            | 5,934,640,469               | 86,895,138,982        |
| Additions                    | 10,689,972               | -                    | 128,556,780                   | 57,306,384             | 1,042,474,288               | 1,239,027,424         |
| Transfer in                  | -                        | -                    | 4,056,766,505                 | 3,088,120              | -                           | 4,059,854,625         |
| Transfer out                 | (143,323,064)            | -                    | -                             | (2,400,000)            | (4,061,189,705)             | (4,206,912,769)       |
| Scraps                       | -                        | -                    | -                             | (25,042,797)           | -                           | (25,042,797)          |
| Disposals                    | (13,205,507)             | -                    | (342,885)                     | -                      | -                           | (13,548,392)          |
| Balance at December 31, 2023 | <u>\$ 56,549,766,070</u> | <u>215,300,607</u>   | <u>28,025,934,712</u>         | <u>241,590,632</u>     | <u>2,915,925,052</u>        | <u>87,948,517,073</u> |
| Balance at January 1, 2022   | \$ 56,731,394,816        | 215,300,607          | 21,853,165,612                | 198,778,135            | 6,291,840,009               | 85,290,479,179        |
| Additions                    | 24,684,032               | -                    | 65,286,688                    | 21,196,935             | 1,644,084,142               | 1,755,251,797         |
| Transfer in                  | -                        | -                    | 2,001,283,682                 | -                      | -                           | 2,001,283,682         |
| Transfer out                 | -                        | -                    | -                             | -                      | (2,001,283,682)             | (2,001,283,682)       |
| Scraps                       | -                        | -                    | (224,129)                     | (11,336,145)           | -                           | (11,560,274)          |
| Disposals                    | (60,474,179)             | -                    | (78,557,541)                  | -                      | -                           | (139,031,720)         |
| Balance at December 31, 2022 | <u>\$ 56,695,604,669</u> | <u>215,300,607</u>   | <u>23,840,954,312</u>         | <u>208,638,925</u>     | <u>5,934,640,469</u>        | <u>86,895,138,982</u> |
| Depreciation:                |                          |                      |                               |                        |                             |                       |
| Balance at January 1, 2023   | \$ -                     | 132,483,319          | 6,127,609,248                 | 123,439,342            | -                           | 6,383,531,909         |
| Depreciation for the year    | -                        | 26,912,577           | 538,684,434                   | 27,609,945             | -                           | 593,206,956           |
| Disposals                    | -                        | -                    | -                             | (350,000)              | -                           | (350,000)             |
| Scraps                       | -                        | -                    | -                             | (25,042,797)           | -                           | (25,042,797)          |
| Disposals                    | -                        | -                    | (188,120)                     | -                      | -                           | (188,120)             |
| Balance at December 31, 2023 | <u>\$ -</u>              | <u>159,395,896</u>   | <u>6,666,105,562</u>          | <u>125,656,490</u>     | <u>-</u>                    | <u>6,951,157,948</u>  |
| Balance at January 1, 2022   | \$ -                     | 105,570,742          | 5,730,304,842                 | 109,926,300            | -                           | 5,945,801,884         |
| Depreciation for the year    | -                        | 26,912,577           | 462,215,987                   | 24,849,187             | -                           | 513,977,751           |
| Scraps                       | -                        | -                    | (224,129)                     | (11,336,145)           | -                           | (11,560,274)          |
| Disposals                    | -                        | -                    | (64,687,452)                  | -                      | -                           | (64,687,452)          |
| Balance at December 31, 2022 | <u>\$ -</u>              | <u>132,483,319</u>   | <u>6,127,609,248</u>          | <u>123,439,342</u>     | <u>-</u>                    | <u>6,383,531,909</u>  |
| Carrying amounts:            |                          |                      |                               |                        |                             |                       |
| Balance at December 31, 2023 | <u>\$ 56,549,766,070</u> | <u>55,904,711</u>    | <u>21,359,829,150</u>         | <u>115,934,142</u>     | <u>2,915,925,052</u>        | <u>80,997,359,125</u> |
| Balance at January 1, 2022   | <u>\$ 56,731,394,816</u> | <u>109,729,865</u>   | <u>16,122,860,770</u>         | <u>88,851,835</u>      | <u>6,291,840,009</u>        | <u>79,344,677,295</u> |
| Balance at December 31, 2022 | <u>\$ 56,695,604,669</u> | <u>82,817,288</u>    | <u>17,713,345,064</u>         | <u>85,199,583</u>      | <u>5,934,640,469</u>        | <u>80,511,607,073</u> |

(i) The Foundation has not reevaluated its assets since its establishment.

(ii) The main objectives of the Foundation in acquiring land and buildings are to provide charity and empathy, training of volunteers, maintenance of sustainable development of social welfare, and serve as a center that provides medical, educational, humanistic, and environmental protection services.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

- (iii) Since some agricultural land among the real estate was donated or purchased for charitable agricultural development needs, and thus cannot be transferred to the Foundation, the property rights are temporarily registered under the name of an individual. With the Foundation's supervisor as a witness, an agreement was made as a security measure. As of December 31, 2023 and 2022, the land registered under the name of an individual amounted to \$2,776,074,702 and \$2,778,585,430, respectively. Relevant buildings amounted to \$2,086,867 and \$2,170,451, respectively.
- (iv) The Foundation cooperated with the construction company for the urban renewal, and transfer the property rights of the target construction to the bank with trust deed, as of December 31, 2023 and 2022, the amounts were \$13,989,513 and \$14,709,513, respectively.
- (v) Because of the road work, the surface rights of the property were levied and transferred to the government, as of December 31, 2023 and 2022, the amounts were both \$11,263,721.
- (vi) Except for the above, as of December 31, 2023 and 2022, the property, plant and equipment of the Foundation were not pledged as collateral.
- (i) Intangible assets

The cost and amortization of the intangible assets of the Foundation for the years ended December 31, 2023 and 2022, were as follows:

|  | <b>Software</b>     |
|--|---------------------|
| Cost and revaluation increments:                     |                     |
| Balance at January 1, 2023                           | \$ -                |
| Additions  | 6,479,180           |
| Balance at December 31, 2023                         | <b>\$ 6,479,180</b> |
| Balance at December 31, 2022(Same as January 1,2022) | <b>\$ -</b>         |
| Accumulated amortization and impairment losses:      |                     |
| Balance at January 1, 2023                           | \$ -                |
| Amortization for the year                            | 756,366             |
| Balance at December 31, 2023                         | <b>\$ 756,366</b>   |
| Balance at December 31, 2022(Same as January 1,2022) | <b>\$ -</b>         |
| Carrying amounts:                                    |                     |
| Balance at December 31, 2023                         | <b>\$ 5,722,814</b> |
| Balance at January 1, 2022                           | <b>\$ -</b>         |
| Balance at December 31, 2022                         | <b>\$ -</b>         |



## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(j) Operating lease

(i) Leases as lessee

Non-cancellable lease payments to be paid after the reporting date are as follows:

|                      | December 31,<br>2023  | December 31,<br>2022 |
|----------------------|-----------------------|----------------------|
| Less than one year   | \$ 7,385,766          | 7,385,766            |
| One to five years    | 26,263,860            | 27,718,296           |
| More than five years | 148,995,912           | 154,726,524          |
|                      | <b>\$ 182,645,538</b> | <b>189,830,586</b>   |

The Foundation leases several venues under operating leases. The lease periods range from five to twenty years, excluding leased base building, and the Foundation retains the right to extend the leases as they expire. The expense for operating leases was \$17,727,005 and \$20,083,084 for the years ended December 31, 2023 and 2022, respectively.

(ii) Leases as lessor

The Foundation leases out its investment properties (see Note 5(g)). The future minimum lease payments under non-cancellable leases are as follows:

|                      | December 31,<br>2023  | December 31,<br>2022 |
|----------------------|-----------------------|----------------------|
| Less than one year   | \$ 153,304,713        | 146,530,805          |
| One to five years    | 238,758,997           | 240,595,283          |
| More than five years | 176,223,269           | 176,484,587          |
|                      | <b>\$ 568,286,979</b> | <b>563,610,675</b>   |

(k) Income taxes

According to Article 4, Paragraph 1, Subparagraph 13 of the Income Tax Act and the Executive Yuan' s "Standards Governing Application of Income Tax Exemption to Educational, Cultural, Public Welfare, Charitable Organizations or Institutions", the Foundation meets the requirements of Article 2 of the aforementioned standard. If its revenues and expenditures of the current year satisfy the criteria listed below, its revenues for the current year and the revenues derived from its subsidiaries operating organizations, with the exception of revenues from the sale of goods and services, are exempted from income tax.

|   |       |
|---|-------|
| Expenditures for activities related to the purpose for which the Foundation was created +   |       |
| Losses from subsidiaries  |       |
|   | > 60% |
| Revenue from activities related to the purpose for which the Foundation was created + Incon |       |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

For the years ended December 31, 2023 and 2022, the Foundation and its affiliated organizations were exempted from income tax due to meeting the criteria listed above.

For the years ended December 31, 2023 and 2022, the Foundation' s losses on the sale of goods or services and losses of its affiliated organizations amounted to \$32,434,086 and \$24,054,927, respectively. Hence, there was no income tax liability.

(l) Net assets

The Foundation' s net assets consist of permanent restricted net assets, temporarily restricted net assets, unrestricted net assets, and other net assets. Permanent restricted net assets are the funds donated with permanent restriction imposed by legal regulation or donators; temporarily restricted net assets are the funds donated with temporarily restriction imposed by legal regulation or donators; unrestricted net assets are the funds donated with no restriction imposed by donators, including assigned, and other net assets refer to other assets that cause an increase or decrease in net assets.

(i) Permanent restricted net assets

The movement of registered amount of total assets is shown bellow:

|                     | <b>2023</b>              | <b>2022</b>           |
|---------------------|--------------------------|-----------------------|
| Beginning balance   | \$ 83,348,598,885        | 82,395,719,800        |
| Increase-land       | -                        | 1,172,033,591         |
| Decrease-land       | (29,832,195)             | (64,190,943)          |
| Construction        | (776,485)                | (124,963,563)         |
| Marketable security | -                        | (30,000,000)          |
| Ending balance      | <b>\$ 83,317,990,205</b> | <b>83,348,598,885</b> |

The resolutions of adjusting the total amount of assets to be \$83,317,990,205 and \$83,348,598,885 during the board meeting held on December 1, 2023 and December 2, 2022, respectively. And the resolutions received approval from the central governing authority on February 2, 2024 and January 30, 2023, respectively, also, receiving the registered certificates of legal entity issued by Taiwan Hualien District Court on February 20, 2024, and February 7, 2023.

(ii) Temporarily restricted net assets

|                            | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|----------------------------|------------------------------|------------------------------|
| Registered fund provisions | \$ 15,034,818,416            | 13,981,654,156               |
| Business development fund  | 9,312,426,498                | 9,312,426,498                |
| Bone marrow donation fund  | 21,711,747                   | 21,482,648                   |
| Project fundraising        | 164,471,728                  | 601,555                      |
| Total                      | <b>\$ 24,533,428,389</b>     | <b>23,316,164,857</b>        |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

- 1) The registered fund provisions is recognized when acquiring land and buildings, and transferred into permanent restricted net assets when the board meeting passes a resolution on the registration of the total amount of assets in accordance with the law.
- 2) The business development fund was originally withdrawn for liabilities in accordance with the "Guidelines for Establishment and Supervision of Social Welfare Corporations by the Ministry of Health and Welfare", which was abolished by the Ministry of Health and Welfare on February 1, 2019, and has been reclassified from liabilities to temporarily restricted net assets since 2018 due to the application of standards of reporting codification. For relevant details of the fund withdrawn and used are summarized in Note 5(b).
- 3) Bone marrow donation fund is the temporarily restricted net assets in accordance with the donors' designated usage. The fund is summarized in Note 5(b).
- 4) Project fundraising is the temporarily restricted net assets withdrawn in the application to the competent authorities for funding activities. The fund is summarized in Note 5(b).

(iii) Unrestricted net assets

|                               | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|-------------------------------|------------------------------|------------------------------|
| Net assets for specific usage | \$ 16,700,000,000            | 16,700,000,000               |
| Accumulated surplus           | 2,275,101,508                | 2,396,888,242                |
| Total                         | <b>\$ 18,975,101,508</b>     | <b>19,096,888,242</b>        |

Net assets for specific usage are the special assigned-usage funds withdrawn by the permission from the Board of Directors, which are mainly for the support of future plans. The business units, which plan to use the funds, are required to submit the for review and approval by the Board of Directors. Relevant withdrawing and using situations are summarized in Note5(b). Details show below:

|                    | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|--------------------|------------------------------|------------------------------|
| Charity fund       | \$ 5,100,000,000             | 5,100,000,000                |
| Construction fund  | 6,000,000,000                | 6,000,000,000                |
| International fund | 5,600,000,000                | 5,600,000,000                |
| Total              | <b>\$ 16,700,000,000</b>     | <b>16,700,000,000</b>        |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(m) Revenue and expenditure

(i) Donation revenue

|                                | <b>2023</b>             | <b>2022</b>          |
|--------------------------------|-------------------------|----------------------|
| Charity donation revenue       | \$ 2,896,394,146        | 3,060,307,477        |
| International donation revenue | 2,867,103,928           | 2,558,172,866        |
| Project revenue                | 2,239,883,999           | 1,470,835,593        |
| Supplies donation revenue      | 45,738,416              | 14,539,169           |
|                                | <b>\$ 8,049,120,489</b> | <b>7,103,855,105</b> |

The raised funds of the Foundation are based on the core value of inspiring love to boost the virtuous circle in the society and encouraging the authorized members in the Foundation to communicate the idea of love to others periodically, share the current status of Tzu Chi, and generate goodwill for the Foundation and its work.

The statistical information of donation revenue segmented by individuals for the years ended December 31, 2023 and 2022 are as follows:

|  |               | <b>2023</b>           |             | <b>2022</b>           |             |
|--|---------------|-----------------------|-------------|-----------------------|-------------|
|  |               | Number of time<br>(%) | Amount (%)  | Number of time<br>(%) | Amount (%)  |
| Individuals  | Under \$100   | 60%                   | 8%          | 62%                   | 9%          |
|  | \$101~\$500   | 27%                   | 11%         | 27%                   | 12%         |
|  | \$501~\$1,000 | 6%                    | 7%          | 5%                    | 7%          |
|  | Over \$1,001  | 6%                    | 63%         | 5%                    | 64%         |
| Business and institutes of non-profit organization |               | 1%                    | 11%         | 1%                    | 8%          |
| Total  |               | <b>100%</b>           | <b>100%</b> | <b>100%</b>           | <b>100%</b> |

(ii) Income from sales of goods or services

|                         | <b>2023</b>           | <b>2022</b>        |
|-------------------------|-----------------------|--------------------|
| Activity income         | \$ 6,978,542          | 4,236,917          |
| Rental income           | 164,094,852           | 143,600,301        |
| Sales of produce income | 1,434,826             | 1,393,321          |
| Other                   | 6,949,672             | 6,392,052          |
|                         | <b>\$ 179,457,892</b> | <b>155,622,591</b> |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(iii) Other income

|  | <u>2023</u>          | <u>2022</u>          |
|--|----------------------|----------------------|
| Foreign exchange gains                                       | \$ -                 | 984,702,399          |
| Gains on disposal and scrap of property, plant and equipment | 22,087,369           | 2,387,947            |
| Other income   | 72,059,959           | 58,964,918           |
|  | <u>\$ 94,147,328</u> | <u>1,046,055,264</u> |

(iv) Operating expenses

|                               | <u>2023</u>             | <u>2022</u>          |
|-------------------------------|-------------------------|----------------------|
| Domestic charity expense      | \$ 3,057,752,748        | 3,289,954,350        |
| International charity expense | 3,388,977,461           | 2,824,476,012        |
| Educational expense           | 842,754,777             | 715,452,701          |
|                               | <u>\$ 7,289,484,986</u> | <u>6,829,883,063</u> |

The COVID-19 pandemic, Russia-Ukraine war, Turkey-Syria earthquake, and Israel-Hamas conflict, combined with climate change, have led to an energy crisis, inflation, and food security issues, resulting in more people falling into hunger, homelessness, and suffering.

Charity in Taiwan:

In 2023, Tzu Chi continued its "Great Love Never Rests" charity work initiative. Starting from Taiwan and extended worldwide, the initiative encompasses five major charity action plans: "End Poverty and Hunger, Combat Climate Change and Provide Humanitarian Aid, Address Declining Birthrate and Aging Society, Protect the Environment and Raise Awareness, and Foster Global Partnerships and Sustainable Development." Due to climate change, we have strengthened our steps towards sustainability, integrating the considerations of ESG (environmental protection, social responsibility, and corporate governance) to protect more people affected by disasters and create a sustainable future.

Additionally, Tzu Chi won three gold awards at the Asia-Pacific and Taiwan Sustainable Action Awards for its work in the following Sustainable Development Goals (SDGs):

- SDG 3–Good Health and Wellbeing: For the assistive devices recycling program, “Sustainable Charity with Reconditioned Assistive Devices.”
- SDG 4–Quality Education: For the online game-based learning platform, “PaGamO Disaster Prevention Learning.”
- SDG 12–Responsible Consumption and Production: For the vegetarian food delivery initiative, “Order VO2 to Reduce CO2.”

(Continued)

## BUDDHIST TZU CHI CHARITY FOUNDATION

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Tzu Chi' s "Vision Future Incubator Initiative" also won first prize the "Buying Power Social Innovation Product and Service Procurement Award" from the Ministry of Economic Affairs. The "El Menahil Promise - Mandarin Learning Program for Syrian Refugees" received excellent ratings from the Ministry of Education' s Youth Development Administration for the "Volunteer Service Program for Overseas Youth."

In Taiwan, Tzu Chi's poverty alleviation extends from individuals and families to communities, from nurturing youth to caring for the elderly, supplemented by innovative charity programs, expanding the strength of collaborative philanthropy, and corporate philanthropy. This aims to relieve the plight of the disadvantaged, impoverished, and disaster-affected people, assisting them to become self-reliant, ensuring that poverty is no longer perpetuated, and leading to a stable life.

#### 1) End Poverty and Hunger:

Traditionally seen as the foundation of society, families in Taiwan are undergoing a transformation. Declining birth rates, a growing elderly population, and evolving social values are leading to a more diverse family landscape. This includes a rise in single households, single-parent families, grandparent families, and overall smaller family sizes.

Faced with the shrinking families and the gradual disappearance of traditional family functions, Tzu Chi focuses on the family as the core and the community as the foundation, strengthening various methods of care. Besides providing assistance based on the needs of different age groups, the foundation also offer various types of support and services, from economic support and psychological care to improving the home living environment. With comprehensive all-around care and support for the individual and their families as a whole, Tzu Chi provides appropriate assistance and care to ensure effective responses to changes.

Assisting disadvantaged families and individuals by providing:

- a) Economic support and diverse services to help the poor through urgent and unexpected difficulties, alleviating economic hardships.
- b) Medical subsidies and health care for patients to seek medical treatment with peace of mind, easing the stresses on impoverished families.
- c) Scholarships and specialized training to help disadvantaged students study with peace of mind and enhance their learning abilities.
- d) Housing repairs and livelihood assistance to ease worries and bring stability to the home.
- e) Social services such as counseling and home visits to relieve physical and mental stress.
- f) Community care and support such as care for institutions and disadvantaged groups.

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#### 2) Combat Climate Change and Provide Humanitarian Aid

The failure to mitigate and adapt to climate change is an unavoidable issue that poses an existential crisis for humanity.

As extreme weather events bring more frequent disasters, Tzu Chi remains true to its principle: 'be the first to arrive and the last to leave.' We go beyond immediate relief efforts and actively work to prevent disasters, reduce risks, and prepare communities. By building resilience and lowering disaster threats, we empower communities to recover and create sustainable, harmonious neighborhoods. This reflects the spirit of mutual support, where neighbors help neighbors and families help families.

Key areas of focus in 2023:

- a) **Community Emergency Response:** Tzu Chi responded to 213 emergency incidents across 21 counties and cities in Taiwan, including Typhoon Kanu, Typhoon Haikui, the fire incident at Ming Yang International Technology Company factory in Pingtung City, the tilting apartments incident in Taipei's Zhongshan District, and the 2023 Taichung crane collapse incident. Volunteers immediately mobilized to provide comfort and companionship as well as hot meals, drinking water, emergency living supplies, emergency funds, condolence money for casualties, care packages, home cleaning, and organizing prayer sessions. Post-disaster reconstruction work included providing educational subsidies and home repairs.
- b) **Disaster Preparedness Training and Promotion:** Train disaster relief volunteers and instructors; cultivate disaster assistance expertise; promote community-based disaster prevention initiatives; facilitate collaboration between public and private sectors for disaster preparedness; integrate disaster preparedness education into schools and communities; and train disaster prevention experts.
- c) **Disaster Preparedness and Relief Operations:** Developing, purchasing, and maintaining disaster relief supplies and equipment; developing disaster preparedness teaching materials; establishing disaster preparedness education centers; upgrading cross-border warehousing and transportation operations; and conducting research and development of compassionate technology.

#### 3) Address Declining Birthrate and Aging Society

Population aging and declining birth rates feed into each other, creating a two-way cycle.

Tzu Chi's approach to building a balanced and sustainable social structure emphasizes preventive charity and needs-based care. This translates to investments in youth development and elder care programs. The foundation encourages young people to innovate in the social welfare sector and participate actively in their communities. Simultaneously, Tzu Chi provides attentive support services for the elderly, ensuring they age with health, security, and happiness.

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a) Education: The Path to a Brighter Future

"Education is a beacon that illuminates the path forward and the key to unlocking dreams." Despite various factors that hinder many children from accessing the education and opportunities they deserve, Tzu Chi believes that every individual holds the potential to shine.

Guided by the principle of "alleviating poverty through education and skills development," Tzu Chi is committed to providing disadvantaged families and rural schools with diverse learning resources and unwavering support. Simultaneously, we actively promote innovative youth public welfare projects in communities and schools. These initiatives cultivate talents with an international perspective and a passion for social innovation, empowering them to grasp sustainable trends and collaboratively find solutions to pressing social issues.

Key areas of work:

- i) Educational assistance and learning resource support for rural and indigenous schools. Strengthening learning capabilities, narrowing the urban-rural educational gap, and eliminating learning disparities.
- ii) Promoting youth innovation programs such as "Global Online Youth Mentorship Program," "Global Youth Forum," "International Youth Leadership Program," and "Youth Disaster Relief Training," encouraging young people to engage in public welfare and exert their influence.
- iii) The "FUN Big Vision, Thinking Toward the Future" youth innovation program continues to empower young people to pursue their dreams and engage in self-actualization through a range of initiatives. This includes the "Vision Future Incubator Initiative" and the "National Compassionate Science and Technology Innovation Competition." By providing resources, mentorship, and support, these programs foster a vibrant ecosystem of social innovation teams, empowering youth to contribute to a more just and equitable society.

b) An-Mei Elderly Care Project:

Loneliness, health issues, and economic difficulties are common challenges faced by many elderly individuals.

Recognizing these needs, Tzu Chi aims to create "stable homes and friendly communities" that promotes well-being and dignity for the elderly. These efforts include: improving home safety, reconditioning of assistive devices, delivering hot meals for the vulnerable elderly, establishing community care centers, and creating digital healthcare systems with remote patient monitoring for disadvantaged groups.

Key areas of work:

- i) Visit and Care: Providing economic subsidies, material assistance, home visits, and telephonic care.



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- ii) Environmental improvement: Enhancing home safety spaces for the elderly and disabled, and providing services through the reconditioned assistive device program.
- iii) Health Care: Offering elderly nutrition supplements, community meals and meal deliveries, establishing community care centers, providing medication consultation and fitness enhancement programs, and implementing digital health care solutions.
- iv) Long-Term Care: Providing home care and nursing services, day care center services, long-term care centers, community care centers, and community elder health promotion programs.
- v) Senior Isolation Care: Undertaking elderly care projects for the Taipei, Kaohsiung, and Tainan city governments.
- vi) Health Care Stations: Establishing online blood pressure reading systems at Tzu Chi' s recycling stations, introducing "balanced diet" and "regular exercise" courses to provide multifaceted physical exercise and nutritional care for elderly volunteers.

#### 4) Protect the Environment and Raise Awareness

With climate anomalies intensifying and climate disasters worsening, how can we regulate and prevent unpredictable climate disasters?

As scientists have identified human actions as the primary cause of global warming, Tzu Chi is dedicated to a multifaceted approach that encompasses disaster prevention education, promoting healthy low-impact diets, and achieving net-zero sustainability to address climate emergencies and reduce the occurrence of disasters.

Key areas of work:

- a) Net Zero Carbon Emissions: Tzu Chi has set the goal of "Net Zero Emissions by 2050." Starting from 2021, Tzu Chi has taken the four steps of inventorying, analyzing, reducing, and offsetting carbon emissions across all aspects of its operations. From 2022-2023, carbon inventories have been completed for ten Jing Si Halls, solar panels have been installed in 17 centers, and the inaugural "TCFD Task Force on Climate-related Financial Disclosures" meeting was held to develop response strategies. In alignment with the government's four transformation policies—energy transition, industrial transition, lifestyle transition, and social transition—Tzu Chi is actively implementing corresponding transition measures.

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- b) Promoting Environmental Education, Expanding Influence.
- i) Mobile Eco-Education Vehicle 2.0: This upgraded vehicle features the "Net Zero Future Pavilion," an interactive space that educates visitors about the principles and practices of net-zero carbon emissions. Equipped with solar panels, the vehicle embodies energy autonomy, generating 2 kilowatt-hours of electricity per hour.
  - ii) Digital Environmental Education: The "Tzu Chi x PaGamO Environmental Education E-sports World Cup" has entered its third year. Through edutainment, it enhances public awareness in disaster prevention and environmental protection with focus on global warming and extreme climate issues.
  - iii) Plant-Based Diet Promotion: Advocating for a plant-based lifestyle, Tzu Chi supports initiatives such as a vegetarian meal ordering platform, eco-friendly hotels, and plant-based food fairs, promoting both spiritual and environmental well-being while reducing carbon footprints.
  - iv) Environmental Education Facilities: Kaohsiung Jing Si Hall and Taichung Jing Si Hall have both been certified as "Environmental Education Facilities" by the Environmental Protection Administration.
  - v) Environmental Education Promotion: A total of 459 groups visited the environmental education facilities, providing visitors with hands-on learning experiences in sorting recyclables. Additionally, 412 events were held to raise public awareness about environmental issues and promote sustainable practices.
- c) The Five Rs of Environmental Sustainability:
- i) Purity at the Source: Enhanced Resource Recycling: As of 2023, in Taiwan, Tzu Chi has 91,982 certified recycling volunteers at 7,059 education recycling stations or community recycling points. Their diligent efforts to sort recyclables resulted in a cumulative carbon benefit of 75,243,262 metric tons for the year, equivalent to the carbon sequestration of 8,454 Da'an Forest Parks (or 10 Central Park-sized forests) in a single year. This is how we can protect the Earth with the power of collective action.
  - ii) Resource Reutilization, Creating Green Industries, Through meticulous recycling and classification, PET bottles are transformed into eco-friendly blankets, scarves, and partition tents. This approach exemplifies the value of a "circular economy" and extends the concept of "spiritual recycling," serving as an important backing for global humanitarian aid.

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#### 5) Foster Global Partnerships and Sustainable Development

Tzu Chi actively engages in international partnerships and conferences to engage with mainstream society, promote interfaith dialogue and charitable collaborations, and attract young people through diverse means, injecting vitality into Tzu Chi's sustainability efforts.

##### a) "Corporate Goodness, Social Well-being"

Building upon successful collaborations with county and city governments and professional organizations, Tzu Chi is now promoting the "Corporate Goodness Initiative," combining resources from various industries to engage in charitable and public welfare activities in Taiwan and internationally. These initiatives align with the United Nations Sustainable Development Goals (SDGs), embody corporate social responsibility (CSR), and reflect the core values of environmental, social, and corporate governance (ESG).

##### b) Collaborations with International Charity Organizations

Tzu Chi expands its humanitarian reach through partnerships with international charity organizations, including: The Order of St. Camillus (Camillians), Camillian Disaster Service International (CADIS), Polish Women Can Foundation FPMW, AMEDS Medical Center, IsraAid, Food for Ukraine, Airlink Foundation, St. Bakhita Girls Boarding and Day Primary School, Caritas Freetown, and Medecins du Monde (MDM) among others.

##### c) "Tzu Chi Discourse for Global Engagement"

i) United Nations and International Conferences: In 2023, Tzu Chi participated in the UN World Conference on Women, UN International Day of Vesak, UN Asia-Pacific Climate Change Adaptation Forum, UN Global Refugee Forum, UN High-Level Political Forum (HLPF), American Charity International Forum, Parliament of the World's Religions, UN Food Systems Summit, UN Climate Change Conference (COP28), Global Refugee Forum, and the Global Faith Leaders Summit. Among them, Master Cheng Yen was invited to be a guest at the closing ceremony of the Parliament of the World's Religions, delivering a speech via video, expressing deep concern and gratitude for the global issues faced by the world.

ii) Forums and Academic Seminars: Hosting the 8th Tzu Chi Forum, Tzu Chi Global Symposium for Common Goodness, Yin-Cheng Conference, and others.

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#### International Charity:

Around the world, Tzu Chi volunteers strive for self-sufficiency. However, when major disasters strike in countries where Tzu Chi has fewer resources or no established Tzu Chi presence, Tzu Chi Foundation headquarters in Taiwan steps in. By sending resources and collaborating with other international NGOs, the foundation is able to amplify its reach. This collaborative effort extends humanitarian aid to a wider range of communities. By initiating various relief operations, Tzu Chi brings much-needed assistance and hope to disaster-stricken areas around the globe.

#### 1) End Poverty and Hunger:

The number of people experiencing hunger has increased due to factors such as the COVID-19 pandemic, the Russia-Ukraine war, and weather impacts caused by climate change. In 44 countries and regions around the world, Tzu Chi continues to work towards alleviating poverty, caring for refugees, and providing food aid to those in need. Besides direct aid, improving living quality, enhancing education, and guiding livelihoods, Tzu Chi also actively advances towards the sustainable development goal of "End Hunger by 2030."

- a) Poverty Alleviation: Tzu Chi provides economic subsidies, scholarship programs, hot meal supply, vocational training, agricultural training, hygiene care for women and children, water resource improvement, child nutrition supplements, and more. These efforts covered 36 countries including Nepal, India, Ethiopia, Eswatini, Zimbabwe, Zambia, Botswana, South Africa, South Sudan, Lesotho, Uganda, Malawi, Madagascar, Mozambique, Sierra Leone, Sri Lanka, the Philippines, Vietnam, St. Maarten, Mexico, Laos, Myanmar, Cambodia, Russia, Turkiye, Jordan, Thailand, Haiti, Ecuador, Paraguay, Pakistan, Guatemala, Chile, the Dominican Republic, Honduras, and Bolivia.
- b) Displaced Persons Assistance: Aid was provided to refugees and/or internally displaced people in Turkiye, Jordan, Serbia, Poland, Ukraine, Moldova, Romania, Syria, and Thailand.
- c) Distribution of Rice from Taiwan's Council of Agriculture: 4,200 metric tons of rice from Taiwan's Council of Agriculture was transported and distributed aid to 11 countries including Eswatini, Botswana, Madagascar, Lesotho, Sierra Leone, South Africa, Mozambique, Zimbabwe, Haiti, Honduras, and Saint Martin.
- d) International Construction Projects: In 2023, 82 permanent homes and 3 schools were completed in Mozambique.

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#### 2) Combat Climate Change and Provide Humanitarian Aid:

In response to natural and human-made disasters worldwide, Tzu Chi is prepared to initiate emergency disaster relief as well as mid- and long-term assistance whenever needed. Depending on the location, timing, and local situation, Tzu Chi will provide humanitarian aid in the forms of cash-for-work, aid distribution, economic assistance, free medical clinics, return to school assistance, and emotional comfort to those affected by disasters.

International Disaster Relief Efforts: Tzu Chi provided disaster relief in 15 countries including Turkiye, Paraguay, Pakistan, Nepal, Canada, the United States (Hawaii), Mozambique, Morocco, Myanmar, Australia, Ukraine, the United Kingdom, New Zealand, Singapore, and Syria. This includes the 2023 Turkiye-Syria earthquakes, Maputo floods, Cyclone Freddy, Pakistan floods, Typhoon Talim in Myanmar, Maui wildfires in Hawaii, Morocco earthquake, Paraguay floods, Hurricane Otis in Mexico, Darling Downs bushfires in Australia, 2023 Nepal earthquake in Jajarkot, and more. Relief efforts include emotional care, cash-for-work, cash-card distributions, aid packages, rice, eco-friendly blankets, hygiene kits, seeds and farming tool kits, free medical clinics, and housing reconstruction. Emergency Stockpiles: Tzu Chi procured and transported bulk relief materials needed for emergencies to ensure that the foundation and its branches worldwide can provide immediate relief supplies when disasters occur.

On February 6, a powerful magnitude 7.8 earthquake struck Gaziantep Province in southern Turkiye, followed by a magnitude 7.5 earthquake in Kahramanmaras Province. The two earthquakes and their aftershocks caused severe destruction and casualties in 11 provinces in southern Turkiye and the neighboring northern regions of Syria.

Tzu Chi swiftly mobilized to establish a disaster response center and mobilized volunteers at the Taipei Neihu office to pack thousands of thick eco-friendly blankets. A donation ceremony was held on the February 9 at the Turkish Trade Office in Taipei, with Representative Muhammed Berdibek receiving the blankets. The blankets were airlifted in three batches and all arrived in Istanbul by February 12, six days after the earthquake.

The first team of 10 disaster assessment personnel departed from Taiwan on the February 10, arrived in Istanbul on the 11th, and established the "Emergency Disaster Relief Command Center." They joined local volunteers to start preparing for disaster relief efforts and material organization.

Commissioned by the Turkish Trade Office in Taipei, Tzu Chi's Neihu office served as the collection point for solicited relief materials from the public from February 9th to 13th. Over ten days, 11,196 volunteer shifts from Tzu Chi, the general public, and private organizations participated in the packing work, completing a total of 34,314 cartons weighing 401 metric tons, all of which were arranged for shipment by the Turkish Trade Office in Taipei.

Considering the shipping time required for supplies to arrive from Taiwan, Faisal Hu, Nadya Chou and other Tzu Chi volunteers in Turkiye, sought local suppliers to purchase blankets. On February 9, they purchased 240 blankets, of which 133 were sent to Adiyaman Province to provide warmth for the Taiwanese search and rescue team and the earthquake survivors who had come to Istanbul.

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Since the disaster area covered 11 provinces, a six-member team from the disaster assessment team set out in advance on the 15th to Hatay Province. They brought diesel, food, and other supplies and established a Tzu Chi response center there as a relay point for disaster relief. On the same day, locally purchased blankets and scarves arrived at Tzu Chi' s El Menahil International School, where teachers, students, and volunteers assisted with unloading the goods and also began making home visits to earthquake survivors who had fled to Istanbul to stay with relatives.

After the earthquake, the first distribution of supplies was held on the 17th, with a total of seven sessions held at El Menahil International School, distributing BIM cards (supermarket cash cards), blankets, and scarves. The amount on the cash cards was enough to cover two months of living expenses for each family.

Tzu Chi's disaster assessment team actively assessed the disaster areas in southern Turkiye. They created lists and searched for suitable and safe distribution sites. Subsequent distributions were held at the Taiwan-Reyhanli Center for World Citizens, Hatay Province. Adhering to the principles of "directness, priority, respect, practicality, and timeliness," the distributions were rapidly conducted one after another. In addition to distributing supplies and caring for disaster victims in Turkiye, Tzu Chi also actively sought ways to help Syrian residents similarly affected by the earthquake. This included the Tzu Chi Jordan branch securing over 420,000 pieces of winter clothing and 50,000 blankets donated by a Taiwanese garment factory in Karak Province.

Through Tzu Chi' s long-term partner Jordan Hashemite Charity Organization, the relief supplies were transported in four batches from Mafraq between February 28 and March 13, entering the Jabir border between Jordan and Syria, and handed over to the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) for further transport and distribution to the earthquake-affected areas in northern Syria.

Furthermore, on March 29, Tzu Chi signed a one-year collaborative agreement with the Dunya Doktorlari Dernegi (DDD, MDM-T) to provide medical and post-trauma counseling services at a medical station in the Idlib refugee camp for earthquake-affected residents in northern Syria.

In the emergency phase, volunteers used technology effectively and offered warm companionship, acting to alleviate the suffering of quake survivors by providing for their urgent post-earthquake living needs and calming their hearts. However, many survivors were left homeless and children were left without schools. Due to severe inflation in Turkiye, the lives of many survivors relying on relatives and friends, as well as local impoverished families became an even greater struggle.

In response to post-disaster aid needs, Tzu Chi is working to establish a more "Comprehensive Collaborative Charity Plan" in Turkiye. Through collaborative means, it will jointly carry out the reconstruction and assistance of housing, community centers, and other facilities in the local area, supporting earthquake survivors and refugees, enabling them to have "stable homes, return to school, and live at ease," accelerating the achievement of short-, medium-, and long-term development goals.

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#### Achievements:

1) Relief Efforts in Turkiye

Care for four provinces: Istanbul, Gaziantep, Hatay, Sanlrurfa

Distribution Results: distribution of cash cards to 40,744 households/197,181 people; distribution of 42,967 items including blankets, scarves, mattresses, and generators.

2) Relief Efforts within Syria

a) Tzu Chi coordinated with the Jordan Hashemite Charity Organization to deliver 507,920 items of blankets, winter clothes, jackets, hats, gloves, and boots that were donated from a Taiwanese business in Jordan. These were stored and then sent into Syria.

b) Tzu Chi collaborated with Dunya Doktorlari Dernegi (DDD, MDM-T) to provide family medicine, pediatrics, gynecology, and counseling services in Idlib Province, serving 20,455 people.

#### Support for the Mission of Education

In accordance with the donation charter of Tzu Chi Foundation, we support the development of education in Taiwan's eastern region, ensuring the sustainability of higher education and medical institutions, and achieving the goals of sustainable quality education and training for professionals. This embodies the philosophy of "Providing education as a means of charity and carrying out charity work through education."

#### Key areas of work:

1) Charity and Education Industry Collaboration: This initiative aims to establish a Tzu Chi research and development think tank to promote human compassion, health and well-being, educational development, environmental protection, and humanitarian values. By fulfilling local and societal responsibilities, it seeks to achieve the goals of resource sharing, talent exchange, industry-academia collaboration, and sustainable public welfare.

2) Quality Education Initiative:

a) Establish sustainable higher education institutions in eastern Taiwan to address the shortage of medical and professional talent in the region.

b) Enhance the professional growth and development of teachers, provide a quality teaching and learning environment in each school, and cultivate a faculty with both professional and humanistic approach to teaching while equipped with various learning facilities.

c) Elevate the quality of education by focusing on the professional growth of teachers and the diverse development of students.

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- d) Establish a professional training platform for elderly care in eastern Taiwan, linking local government, academic, and community resources to build partnerships.
- e) Develop medical education in eastern Taiwan to cultivate medical personnel with professional skills and compassion.

In 2022, The world continues to face urgent climate crises, natural disasters, human suffering, and the third year of the COVID-19 pandemic, compounded by food shortages, with impacts spreading far and wide. Tzu Chi continued its five major charitable initiatives: "Eradicate Hunger and Poverty, Climate Change and Humanitarian Aid, Address Declining Birthrate and Aging Society, Environmental Protection and Education, and Global Partnerships and Sustainable Development." These initiatives were not only carried out in Taiwan but extended globally. While advancing its charity mission, Tzu Chi strengthened its commitment to sustainability, incorporating elements of environmental, social and corporate governance (ESG) to protect more people in distress.

In Taiwan, we continue to carry out various charitable initiatives, complemented by innovative approaches to charity, and strengthen collaborative efforts for the common good. We aim to alleviate challenges faced by the vulnerable, impoverished, and disaster-affected individuals while assisting them to achieve independence.

#### 1) Alleviating Hunger and Poverty:

Poverty, unemployment, disabilities, and illnesses continue to be the harsh realities faced by many families. These challenges not only trouble individuals but also bring stress and uncertainty to entire households. Moreover, people from impoverished families or living in remote areas often struggle to access adequate nutrition and social welfare, exacerbating income inequality. Therefore, addressing hunger and poverty through education and poverty alleviation efforts is crucial.

Through a comprehensive approach that provides all-round care for the individual and their whole family, we address the challenges individuals face from birth to old age, providing assistance to those in need and guiding them toward self-reliance and personal development. Furthermore, through emotional support and care, Tzu Chi works to alleviate mental and emotional stress, encourage self-confidence, foster a positive outlook on life, and contribute to building a harmonious, stable, and prosperous society together.

Key areas of service include:

- a) Providing economic support and diverse services to alleviate pressures in life faced by impoverished individuals.
- b) Offering medical expense subsidies and care to break the cycle of poverty and illness.
- c) Providing tuition assistance, scholarships, and other forms of support to help disadvantaged students gain access to education.
- d) Conducting vocational training to assist the unemployed in finding employment opportunities.



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- e) Utilizing social services such as counseling support to help alleviate the mental and emotional stress of individuals.

#### 2) Climate Change and Humanitarian Aid:

On January 11, 2023, the World Economic Forum released the "Global Risk Report 2023" (GRR2023), which consistently ranks natural disasters and extreme weather events among the top three global risks, whether in the next two years or the next ten years. In the long term, climate change mitigation failures and climate change adaptation failures are issues of existential crisis that humanity cannot evade. This signifies that as we confront the worsening environment due to extreme weather events caused by climate change, the challenge of disaster preparedness becomes even more severe, while the promotion of disaster prevention and mitigation efforts also becomes more difficult. How to provide the most appropriate charitable care and support during disaster events in a more timely manner, in addition to adhering to the principles of disaster prevention, reduction, and relief, is a key focus of Tzu Chi's annual work, including specialized training.

- a) **Pandemic Care Initiative:** In the third year of the pandemic, we continued our efforts to procure and donate BNT vaccines. This year, as confirmed cases surged, providing essential pandemic supplies and daily necessities to frontline healthcare and pandemic-related personnel remained a top priority. We collectively safeguard the safety and health of everyone.
- b) **Community Emergency Response:** Tzu Chi provided immediate assistance in response to various community emergencies across Taiwan, totalling 177 cases, including the Chiayi earthquake on September 18, Typhoon Nisha, major community fires, and traffic accidents. Our assistance included immediate support, condolence payments, post-disaster recovery as well as housing repairs and reconstruction.

On September 18th at 2:44 PM, a strong earthquake with a magnitude of 6.8 on the Richter scale struck, causing significant damage to the south-eastern parts of Taiwan in Yuli and Taitung. Tzu Chi volunteers, in addition to promptly activating the central command center at Tzu Chi's headquarters, local volunteers in Yuli and Taitung also mobilized to provide immediate assistance and care to those in distress. Furthermore, they conducted extensive home visits to reassure and provide financial assistance, while also assessing the extent of the damage experienced by households.

- c) **Specialist Training and Certification:** In addition to disaster mitigation specialist and instructor training, this year marked the inaugural caregiver training program. Collaboratively organized by professional organizations such as the Taiwan Association of Social Work Education and the Volunteer Service Association of the Republic of China, this program aims to strengthen the professional qualities of both volunteers and staff in disaster relief and psychological care. It also enhances their trauma care and companionship skills, enabling them to obtain specialist certifications. These certified specialists assist disaster survivors and their families in achieving emotional and psychological stability. They serve as vital support in the establishment of resilient disaster-prepared communities and a social safety net.

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- d) Ongoing Disaster Preparedness and Relief Seminars, Educational Training, Disaster Preparedness Education Campaigns and Exhibitions, and Compassionate Technology Development efforts are continuously in progress. Through professional collaboration, we aim to be better prepared and equipped for disasters.

#### 3) Address Declining Birthrate and Aging Society:

The aging population and declining birthrates are like two ends of a seesaw, interconnected with each other.

"Low birth rates" lead to an imbalanced population structure, with a disproportionately high elderly population. These elderly individuals require more medical care, elderly care, and welfare services, which in turn can create pressures on the younger generation.

In response to the changing demographics of society, Tzu Chi is placing greater emphasis on caring for the younger generation, as well as the elderly. We provide support from preventive charitable efforts to need-based care, aiming to create more opportunities for the youth and ensuring that the elderly can age healthily, securely, and happily.

#### a) Care for Adolescents and the Young: A Brighter Future with Tzu Chi

"Education is the beacon of hope for children's futures and a stepping stone to lift disadvantaged families out of poverty." Tzu Chi's approach involves "Educational Empowerment to Foster Talents and Alleviate Poverty." We continue to provide a variety of resources to support rural education, tutoring for underprivileged youths, empowerment programs for youths, and hosting youth camps. We also promote a variety of youth-driven projects for public welfare with an international perspective and foster talent through innovative efforts. This broadens the horizons of the new generation in public welfare education and provides them practical skills that will enhance their competitiveness.

Key areas of focus include:

- i) Assistance and resource support for rural and indigenous education to reduce urban-rural disparities and learning gaps.
- ii) Promoting programs such as the "Global Online Youth Mentorship Program," "Tzu Chi International Youth Sustainability Annual Convention," "Fostering International Young Leaders," and "Disaster Mitigation Training for Youths" to encourage youth innovation and involvement in public welfare.
- iii) The "FUN Big Vision, Thinking Toward the Future" youth innovation promotion program continues to encourage young individuals to bravely pursue and realize their dreams. This program includes initiatives like the "Vision Future Incubator Initiative" and the "National Compassionate Science and Technology Innovation Competition," providing support and guidance to numerous innovation teams, enabling them to establish a strong presence and make a meaningful impact on society.

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#### b) Elderly Care: Living Securely, Aging with Peace of Mind

As Taiwan faces a super-aged society by 2025, Tzu Chi aims to provide comprehensive support for the elderly through various initiatives. The four major aspects include: improving home safety to create a secure living environment, providing eco-friendly assistive devices through a sustainability platform, delivering meals to vulnerable seniors, and establishing community care centers to promote health and prevent disability. These efforts aim to build friendly and loving communities, ensuring "stable homes and friendly communities." In 2022, Tzu Chi signed a letter of intent with Hon Hai for a digital health project. This project aims to integrate various measurement methods through a healthcare system to enhance home medical care and health services for disadvantaged groups.

Key areas of focus include:

- i) Home Care: Providing economic assistance, material aid, home visits, and phone companionship.
- ii) Home improvements: Improving the safety of homes for the elderly and disabled, along with providing refurbished pre-loved assistive devices.
- iii) Health Care: Providing nutritional supplements for seniors, community-based meal deliveries, community care centers, medication consultations, physical fitness improvement, and digital health care, among other services.
- iv) Long-term Care: Offering home care and nursing services, daycare center services, type-C aged care center services, community-based care centers, and health promotion for seniors.
- v) Elderly Living Alone Project: Participating in the elderly living alone project initiated by the Taipei, Kaohsiung, and Tainan city governments.
- vi) Health Care Stations: Establishing the Tzu Chi Online Blood Pressure Database in recycling centers and introducing programs on "balanced diet" and "regular exercise." This multidimensional approach cares for elderly volunteers by monitoring their physical condition, dietary nutrition, and more.

#### 4) Environmental Protection and Education

Climate change affects us all, but young children and adolescents are the most vulnerable and will experience its impact for the longest duration.

To reduce disasters and mitigate greenhouse gas effects, Tzu Chi continues to promote environmental protection, environmental education, and resource recycling. We treat "matters concerning the Earth" as "our own matters" and together work harder to cherish resources and spread the message.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

Key areas of focus include:

- a) Promote environmental education and increase influence.
  - i) Mobile Eco-Education Units: Utilizing and transforming shipping containers into environmental education units featuring "green energy supply, energy conservation, environmental experiences, extending material life, creatively repurposing unwanted items, and conserving rainwater." Through interactive activities and games, participants learn about concepts like energy efficiency, carbon reduction, and the principles of a sustainable environment. Over the past two years, this initiative has conducted 56 exhibitions and interactive sessions in 13 counties and cities across Taiwan.
  - ii) Online Gaming for Environmental Education - Promotion of Sustainable Development Competency with PaGamO: Tzu Chi collaborates with the Ministry of Education, Environmental Protection Agency, Fire Department, and PaGamO to organize the "Environmental Disaster Prevention Warriors Competition" and the International Environmental Education E-sports Championship. These initiatives aim to educate on environmental protection, disaster preparedness, and sustainability, thereby enhancing crisis response awareness in the face of natural disasters.
  - iii) Environmental Education Facilities: Following in the footsteps of the Kaohsiung Jing Si Hall, the Taichung Jing Si Hall has officially received certification as an "Environmental Education Facility" by the Environmental Protection Agency.
  - iv) Visit recycling centers and hands-on experience in sorting recyclables.
- b) The Five Rs of Environmental Sustainability:
  - i) Protecting the environment through the promotion of the Five Rs: As of 2022, Tzu Chi has 91,526 certified recycling volunteers serving in 7,158 recycling stations or community recycling points across Taiwan. With the shared belief of "caring for the Earth," a total of 72,036,585 kilograms of recyclable materials such as plastic bottles, paper, plastic bags, and glass were collected and sorted for recycling, embracing the concept of resource recycling and sustainability.
  - ii) Resource Reutilization to Create Green Industries: Tzu Chi recycles plastic bottles with the help of diligent volunteers who collect, sort, and process them into "eco-yarn." This yarn is then used to create environmentally friendly blankets, scarves, and other essential supplies for disaster relief efforts both domestically and internationally. This initiative embraces the principles of the "circular economy," extending the value of "spiritual recycling" and providing a humanitarian support system.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

- c) Advancing Towards Net Zero Carbon Emissions: Tzu Chi has set the goal of achieving "Net Zero Emissions by 2050." Starting from 2021, we have taken a series of steps, including assessment, analysis, reduction, and offsetting. We began by assessing the annual greenhouse gas emissions of Tzu Chi's Jing Si Hall in Hualien, identifying opportunities for improvement. We have now officially obtained the SGS ISO 146041:2018 greenhouse gas verification statement.

#### 5) Global Partnerships and Sustainable Development

In December 2022, the United Nations Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator released the latest annual report on the global humanitarian situation. It found that the number of people in urgent need of humanitarian assistance worldwide has been steadily increasing, with an estimated 339 million people expected to need assistance in the coming year. Under-Secretary-General Griffiths stated, "The 339 million people represent a 25% increase compared to 2022, equivalent to an additional 65 million people in need of aid."

The significant increase in the number of people in need of assistance is primarily due to factors such as armed conflicts, extreme weather leading to food crises, and the spread of diseases. To expand the scope of assistance, both in Taiwan and abroad, Tzu Chi has formed interfaith partnerships with various charitable organizations as well as the United Nations. It also strives for sustainable development.

Simultaneously, Tzu Chi actively participates in United Nations platform meetings, sharing its experiences and providing timely advice. Tzu Chi also engages in promoting various sustainable development initiatives worldwide, working together for the well-being of humanity.

In Taiwan, Tzu Chi Foundation has signed memorandums of cooperation with 21 city and county governments. It has also entered into agreements with 16 institutions, including the Environmental Protection Agency, Water Resources Agency, Fire Department, National Disaster Prevention and Protection Commission, Central Weather Bureau, and Industrial Technology Research Institute. These collaborations focus on charitable care, disaster preparedness education, ecological conservation, humanitarian work, and other projects aimed at promoting social welfare and providing more specialized services to the community.

Over the past three years of the pandemic, Tzu Chi provided PPEs and medical supplies to 98 countries/regions globally and food relief distribution to 44 countries/regions, demonstrating the spirit of great love and common goodness.

On the United Nations platform, we have been appointed as one of the co-chairs of the Multi-Faith Advisory Council (MFAC) by the United Nations Interagency Task Force on Religion and Development (IATF-Religion). This appointment, effective from January 1st for a two-year term, is a commitment to dedicating our efforts to issues such as human rights, peace, and sustainable development.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

Tzu Chi volunteers in every country/region strive to be self-reliant. However, when major disasters occur in regions or countries with limited resources where Tzu Chi volunteers are not present, Tzu Chi headquarters will mobilize resources promptly, leverage external support, and initiate immediate rescue efforts while intensifying its humanitarian outreach. Among its key objectives, poverty and hunger alleviation, as well as climate change and humanitarian relief, stand out as primary areas of focus.

a) Alleviating Hunger and Poverty:

In 2022, although the pandemic started to ease its third year, Tzu Chi's Pandemic Relief Assistance Program continued to address the long-term economic effects caused by the pandemic. Apart from the existing poverty alleviation initiatives, Tzu Chi persisted in carrying out relief projects for economically affected families.

- i) PPE and Medical Supply Aid: Tzu Chi provided PPEs such as face masks, isolation suits, home pandemic prevention kits, and medical equipment like respirators, oxygen plants, ambulances, and oxygen concentrators to 19 countries and regions, including Bhutan, India, Thailand, Sri Lanka, Indonesia, Cambodia, Malaysia, the Philippines, Singapore, Laos, Paraguay, the United States, Mozambique, Australia, the Solomon Islands, Italy, Germany, Jordan, and Poland.
- ii) Poverty Alleviation: Tzu Chi carried out poverty alleviation and pandemic relief through various means such as financial subsidies, educational programs, hot meal distributions, vocational training, agricultural training, women's and children's healthcare, water resource improvement, and children's nutritional supplementation. These initiatives were implemented in 33 countries and regions, including Zimbabwe, Zambia, South Africa, Uganda, Namibia, Malawi, Mozambique, Sierra Leone, Lesotho, Ethiopia, Bangladesh, Eswatini, Nepal, India, Russia, Jordan, Thailand, Sri Lanka, Laos, Myanmar, Lebanon, Saipan, Guatemala, the Dominican Republic, Honduras, Bolivia, Haiti, Chile, Saint Martin, Mexico, Ecuador, Jordan, and Paraguay.
- iii) International Refugee Assistance: Tzu Chi continued to provide care and assistance to refugees within countries such as Jordan, Turkey, Serbia, among others.
- iv) Council of Agriculture Rice Distribution: Based on the needs of each country, Tzu Chi transported rice from Taiwan's Council of Agriculture to aid 10 countries, including South Africa, Lesotho, Eswatini, Zimbabwe, Mozambique, Botswana, Haiti, Honduras, Saint Martin, and Guatemala.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

- v) Overseas Reconstruction Program: Mozambique, devastated by Cyclone Idai, saw Tzu Chi mobilize love and support from 55 countries and regions. It initiated emergency relief efforts and focused on mid-to-long-term assistance with the objectives of providing shelter, livelihood, and peace of mind. The plan includes the construction of four Great Love Villages and 23 schools. Notably, the first batch of houses in Ndeja Tzu Chi Great Love Village was handed over on December 7th, 2022, accommodating 12 households, while the first batch of 17 households in Kura Tzu Chi Great Love Village was handed over on December 12, 2022, allowing residents to live securely in sturdy houses. Furthermore, renovations for the Faculty of Health Sciences at the Catholic University of Mozambique (UCM) has been completed.

b) Combat Climate Change and Provide Humanitarian Aid:

In response to global natural disasters and conflicts, we initiate emergency disaster relief, which includes providing relief work opportunities, distributing supplies, offering financial aid, conducting medical outreach, assisting school-aged children in returning to their studies, providing spiritual comfort, and addressing the most urgent physical and psychological needs of disaster victims. Tzu Chi also plans for subsequent mid-to-long-term assistance.

During normal times, we prepare relief supplies for international disaster relief. When disasters occur, in addition to mobilizing local volunteers promptly, we strengthen our connections with international charitable organizations to expand the scope of humanitarian aid and relief efforts. Key initiatives for this fiscal year include:

- i) Providing Aid to Ukrainian Refugees: On February 24, the Russia-Ukraine war broke out, and the Ukrainian government declared a military mobilization order, restricting male citizens aged 18 to 60 from leaving the country. As a result, women had to travel across borders on their own with children and elderly family members to seek refuge in neighboring countries. Ukrainian refugees have primarily sought shelter in countries such as Poland, Moldova, Slovakia, and Romania. Although Tzu Chi does not have volunteers or local branches in these countries, we actively explored various channels to provide assistance to Ukrainians fleeing conflict.

Key areas of assistance includes :

1. Tzu Chi volunteers from twelve countries traveled to provide assistance to refugees in Poland, where the largest number of refugees had fled to.
2. Tzu Chi initiated international refugee assistance in collaboration with 11 charitable organizations: UNICEF, Camillians, Caritas, Red Cross, IsraAID, ADRA, Polish Women Can Foundation, AirLink, World Hope, Project HOPE, and Don Bosco.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

3. The recipients of aid are Ukrainian refugees, including those in Poland, the Czech Republic, Slovakia, Italy, Croatia, Bulgaria, Romania, Moldova, and other neighboring countries.
  4. Aid actions encompass the distribution of shopping cards and cash cards, provision of daily necessities and clothing, care at refugee centers, healthcare and medical assistance, support and referrals for medical supplies, language learning and children's education, psychological and legal counseling, medium to long-term economic assistance, and winter aid.
    - ii) International Disaster Relief: Tzu Chi provided disaster assistance in 11 countries, including Pakistan, Bangladesh, the United States, Uganda, Malaysia, Madagascar, Mozambique, the Philippines, Lesotho, Mexico, and Ecuador. This assistance covered various disasters such as floods in Pakistan, cyclones in Madagascar, Cyclone Gombe in Mozambique, wildfires in Lesotho, Hurricane Olaf in the Dominican Republic, the September 19 earthquake in Mexico, flooding in Pakistan, Hurricane Ian in the United States, Cyclone Shaheen in Bangladesh, and the Mount Elgon wildfire in Uganda.
    - iii) International Disaster Relief Supplies Reserve: Tzu Chi Foundation maintains stockpiles and collaborates with branch offices worldwide to procure and transport large quantities of disaster relief supplies needed for emergencies.
- 6) Support for Educational Endeavors:

In accordance with our donation charter, Tzu Chi promotes the development of educational endeavors and the sustainable growth of higher education and medical institutions in Eastern Taiwan. In line with our initial intention, we continuously employ outstanding educators to cultivate healthcare and other professional talents. We rely on well-established infrastructure to provide students with a high-quality learning environment, nurture talents, give back to society, and realize the goal of "conducting education through charity and practicing charity through education." Our key focus areas include:

- a) Charity and Educational Collaborations: We aim to promote human compassion, health and well-being, educational development, environmental conservation, and humanistic values. To achieve these goals, we established the Tzu Chi Research and Development Think Tank and worked to fulfill our local and societal responsibilities. Our aim is to achieve resource sharing, talent exchange, mutual benefits between academia and industry, and the sustainability of public welfare.
- b) Quality Education Programs:
  - i) Establishing sustainable higher education institutions in Eastern Taiwan to address the shortage of healthcare and professional talents.



## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

- ii) Enhancing the professional growth and development of teachers, providing schools with high-quality teaching environments, recruiting educators with expertise in both professional and humanistic fields, and ensuring access to various learning resources.
- iii) Elevating the professionalism and humanistic qualities of educators to cultivate students with diverse interests, profound humanistic values, professional competence, and practical life skills, thereby enabling schools to have a positive impact on their communities.
- iv) Establishing a platform for cultivating elderly and long-term care professions in Eastern Taiwan, connecting local government, academia, resources, and community to build partnerships.
- v) Developing medical education in Eastern Taiwan to increase healthcare personnels, break the cycle of poverty and illness dependency, and enhance the effectiveness of charitable initiatives.

(v) Administration expenses

|  | <u>2023</u>           | <u>2022</u>        |
|--|-----------------------|--------------------|
| Personnel expenses                     | \$ 340,941,356        | 324,213,235        |
| Operating expenses                     | 58,105,336            | 39,431,058         |
| Miscellaneous purchases                | 9,367,408             | 8,223,392          |
| Depreciation and amortization expenses | 15,710,564            | 11,917,276         |
|  | <u>\$ 424,124,664</u> | <u>383,784,961</u> |

Administrative expenses are personnel and operating expenses incurred for the operation and the promotion of its charitable activities.

(vi) Cost of sale of goods or services

|                           | <u>2023</u>           | <u>2022</u>        |
|---------------------------|-----------------------|--------------------|
| Selling and leasing costs | \$ 166,649,450        | 155,714,138        |
| Agricultural costs        | 992,879               | 847,965            |
| Activity expenses         | 8,269,926             | 4,996,726          |
| Others                    | 10,641,843            | 10,451,923         |
|                           | <u>\$ 186,554,098</u> | <u>172,010,752</u> |

(Continued)

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(vii) Other expenses

|   | <b>2023</b>           | <b>2022</b>        |
|---|-----------------------|--------------------|
| Foreign exchange losses                                 | \$ 66,562,356         | -                  |
| Losses on investments accounted for using equity method | 108,990,032           | 177,354,059        |
| Others  | 502,057               | 10,411             |
|   | <b>\$ 176,054,445</b> | <b>177,364,470</b> |

(n) Classification of financial assets and financial liabilities

|  | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|--|------------------------------|------------------------------|
| Financial assets:  |                              |                              |
| Cash and cash equivalents  | \$ 6,493,584,305             | 6,196,964,679                |
| Current investments in debt instrument without active market     | 1,878,089                    | 45,619,238                   |
| Notes receivable   | 4,220,241                    | 715,555                      |
| Accounts receivable  | 84,042,831                   | 64,894,323                   |
| Other receivables  | 302,577,678                  | 340,503,025                  |
| Other current assets   | 7,138,013                    | 3,001,257                    |
| Funds  | 32,284,093,791               | 32,185,799,854               |
| Non-current available-for-sale financial assets                  | 3,710,948,369                | 3,730,879,594                |
| Non-current financial assets at cost                             | 81,455,976                   | 81,455,976                   |
| Non-current investments in debt instrument without active market | -                            | 1,878,089                    |
| Other non-current assets   | 107,706,902                  | 50,785,830                   |
|  | <b>\$ 43,077,646,195</b>     | <b>42,702,497,420</b>        |
| Financial liabilities  |                              |                              |
| Other current liabilities  | \$ 150,410,673               | 153,590,016                  |
| Guarantee deposits received - non-current                        | 72,668,245                   | 82,386,817                   |
| Total  | <b>\$ 223,078,918</b>        | <b>235,976,833</b>           |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(o) Disclosure of financial instrument information

The methods and assumptions used for financial assets and financial liabilities are measured by fair value are as follows:

(i) Non-derivative financial instruments in an active market

Financial instruments are regarded as being quoted in an active market if their quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent the actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

(ii) Non-derivative financial instruments without an active market

Except for the above financial instruments in an active market, measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments; or other valuation technique including a model that uses observable market data at the reporting date (e.g. Reference Yield Curve published by TPEX).

(iii) Financial assets at cost

Stocks which are not listed (OTC) companies are not traded on the open market, and in practice it is not possible to estimate their fair values.

#### (6) Related-party transactions

(a) Relationships between Parents and Subsidiaries

A detailed list of the Foundation subsidiaries please refer to note 5(f).

(b) Significant transactions with related parties

(i) Donation revenue

|                       | <u>2023</u>           | <u>2022</u>        |
|-----------------------|-----------------------|--------------------|
| Subsidiaries          | \$ 2,692,581          | 2,173,182          |
| Other related parties | 641,567,949           | 179,480,044        |
| Total                 | <u>\$ 644,260,530</u> | <u>181,653,226</u> |

Donation revenue is the amount received from international Tzu Chi organizations on account of disaster occurring.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(ii) Charity expenditure

|                       | <b>2023</b>           | <b>2022</b>        |
|-----------------------|-----------------------|--------------------|
| Subsidiaries          | \$ 26,664,915         | 34,625,347         |
| Other related parties | 465,516,376           | 935,451,628        |
| Total                 | <b>\$ 492,181,291</b> | <b>970,076,975</b> |

The charity expenditure is to cater for emergency aids or home caring services by purchasing blankets from related parties, or for promoting the charity work by providing the services of medical caring via unit of “Tzu Chi Medical” ; or for overseas emergency aid works via overseas organizations of “Tzu chi” providing relevant charity works; or for providing charity works by “Tzu Chi Education” .

(iii) Education expenditure

|                       | <b>2023</b>           | <b>2022</b>        |
|-----------------------|-----------------------|--------------------|
| Other related parties | <b>\$ 842,754,777</b> | <b>715,452,701</b> |

The details please refer to note 5(m).

(iv) Other receivables (other current receivable and other non-current assets)

|                       | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|-----------------------|------------------------------|------------------------------|
| Subsidiaries          | \$ 12,462,021                | 15,514,409                   |
| Other related parties | 7,928,886                    | 1,713,233                    |
| Total                 | <b>\$ 20,390,907</b>         | <b>17,227,642</b>            |

Other receivables are mainly interest-free loans from the Foundation to its wholly-owned subsidiaries as capital for operating use.

(v) Prepayment

|                       | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|-----------------------|------------------------------|------------------------------|
| Other related parties | <b>\$ 66,780,081</b>         | <b>71,270,164</b>            |

Prepayments are in use of pre-paying related parties for relevant charity works on account for overseas emergency aid works.

(vi) Other payables

|                       | <b>December 31,<br/>2023</b> | <b>December 31,<br/>2022</b> |
|-----------------------|------------------------------|------------------------------|
| Subsidiaries          | \$ 5,657,330                 | 9,429,922                    |
| Other related parties | 486,010,554                  | 482,596,456                  |
| Total                 | <b>\$ 491,667,884</b>        | <b>492,026,378</b>           |

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(vii) Receipts under custody

|                       | December 31,<br>2023  | December 31,<br>2022 |
|-----------------------|-----------------------|----------------------|
| Other related parties | <b>\$ 145,668,520</b> | <b>149,008,493</b>   |

The Foundation collects other units' donations, and the donations are recorded as "receipts under custody," and transferred to assigned units on a regular basis.

(viii) Income from sales of goods or services

1) Other income

|                       | 2023                | 2022             |
|-----------------------|---------------------|------------------|
| Subsidiaries          | \$ 2,451,521        | 2,514,409        |
| Other related parties | 1,902,696           | 431,265          |
| Total                 | <b>\$ 4,354,217</b> | <b>2,945,674</b> |

2) Rental income

|                       | 2023                 | 2022              |
|-----------------------|----------------------|-------------------|
| Subsidiaries          | \$ 3,284,100         | 3,202,650         |
| Other related parties | 64,310,541           | 55,171,391        |
| Total                 | <b>\$ 67,594,641</b> | <b>58,374,041</b> |

(ix) Administration expenses

|                       | 2023                 | 2022              |
|-----------------------|----------------------|-------------------|
| Subsidiaries          | \$ 4,328,784         | 5,936,708         |
| Other related parties | 11,126,869           | 23,711,035        |
| Total                 | <b>\$ 15,455,653</b> | <b>29,647,743</b> |

(x) Cost of sale of goods or services

|                       | 2023                | 2022             |
|-----------------------|---------------------|------------------|
| Other related parties | <b>\$ 2,707,888</b> | <b>2,685,948</b> |

(xi) Property transactions

The Foundation sold the buildings to other related parties in 2022, the transaction amount is \$45,000,000. Details of the transactions are summarized in Note 5 (h), and there was no such situation in 2023.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

#### (7) Pledged assets

The carrying values of pledged assets were as follows:

| Pledged assets                                   | Guarantee purpose                       | December 31,<br>2023 | December 31,<br>2022 |
|--|---|----------------------|----------------------|
| Other non-current assets - pledged time deposits | Performance bond to governmental agency | <u>\$ 13,816,691</u> | <u>13,792,827</u>    |

#### (8) Significant Commitments and Contingencies

With the aim of constructing venues and assisting in constructing the school buildings, the Foundation entered into construction contracts with many firms. As of December 31, 2023, the amount of the Foundation's unrecognized contractual commitments is \$6,533,591,806, and the amount to be paid for those construction works was \$3,657,713,156, which is recorded as "Property, Plant, and Equipment" and "operating expenditures".

#### (9) Subsequent Events: None.

#### (10) Financial information for affiliated operating organizations:

For the years ended December 31, 2023 and 2022, Foundation's affiliated operating organizations' (Taipei Great Love Kindergarten, Tainan Great Love Kindergarten, Hualien Great Love Kindergarten, Chiayi Dalin Great Love Kindergarten, Kaohsiung Great Love Kindergarten, Hualien Great Love Nursery, Chiayi Dalin Great Love Nursery, Taichung Kindergarten, and 24 long-term care institutions, included) surplus and deficit in 2023 and 2022 are shown below:

|                              | 2023                   |            | 2022               |            |
|------------------------------|------------------------|------------|--------------------|------------|
|                              | Amount                 | %          | Amount             | %          |
| <b>Revenues</b>              |                        |            |                    |            |
| Operating income             | \$ 103,381,532         | 21         | 96,030,550         | 20         |
| Commissioned income          | 392,161,989            | 79         | 392,636,259        | 80         |
| Interest income              | 1,808,578              | -          | 661,176            | -          |
| Other income                 | 1,189,865              | -          | 27,500             | -          |
| Total revenues               | 498,541,964            | 100        | 489,355,485        | 100        |
| <b>Expenditures</b>          |                        |            |                    |            |
| Operating expenses           | 453,501,622            | 91         | 436,646,039        | 89         |
| Administration expenses      | 70,378,222             | 14         | 60,376,212         | 12         |
| Total expenditures           | 523,879,844            | 105        | 497,022,251        | 101        |
| <b>Net surplus (deficit)</b> | <b>\$ (25,337,880)</b> | <b>(5)</b> | <b>(7,666,766)</b> | <b>(1)</b> |

# BUDDHIST TZU CHI CHARITY FOUNDATION

## Notes to the Financial Statements

### (11) Other

(a) A summary of operating expense and administration expense by function, is as follows:

#### 2023

| By item                                     | Operating expense |                   |              |                   |               |                 |                   |                     | Subtotal      | Administration expenses |
|---|-------------------|-------------------|--------------|-------------------|---------------|-----------------|-------------------|---------------------|---------------|-------------------------|
|   | Senior welfare    | Social assistance | Scholarships | Volunteer service | Youth welfare | Disaster relief | Community welfare | Educational mission |               |                         |
| Personnel expenses                          | 26,502,234        | 249,427,129       | 32,897,921   | 10,016,097        | 25,266,674    | 56,382,970      | 10,089,550        | -                   | 410,582,575   | 340,941,356             |
| Service expenses                            | 223,946,126       | 251,630,136       | 24,976,886   | 209,547,310       | 159,201,645   | 41,081,845      | 260,256,432       | -                   | 1,170,640,380 | 38,759,814              |
| Consumption costs of materials and supplies | 21,500,358        | 28,987,503        | 3,419,074    | 2,001,411         | 13,690,246    | 3,419,074       | 6,052,109         | -                   | 79,069,775    | 13,963,063              |
| Rental expenses                             | 2,809,471         | 4,900,510         | 467,847      | 370,800           | 1,871,389     | 467,847         | 45,989            | -                   | 10,933,853    | 3,756,257               |
| Depreciation and amortization               | 147,973,424       | 197,297,899       | 24,662,237   | -                 | 98,648,949    | 24,662,237      | -                 | -                   | 493,244,746   | 15,710,564              |
| Donation expenses                           | 14,508,342        | 2,777,080,073     | 306,219,663  | 13,033,301        | 59,360,067    | 1,105,893,203   | 3,018,605         | 842,754,777         | 5,121,868,031 | -                       |
| Training expenses                           | 6,300             | 8,900             | 1,050        | -                 | 4,200         | 1,050           | -                 | -                   | 21,500        | 4,023,610               |
| Miscellaneous expenses                      | 859,608           | 1,245,961         | 142,952      | 16,434            | 571,806       | 142,952         | 144,413           | -                   | 3,124,126     | 6,970,000               |
| Total                                       | 438,105,863       | 3,510,578,111     | 392,787,630  | 234,985,353       | 358,614,976   | 1,232,051,178   | 279,607,098       | 842,754,777         | 7,289,484,986 | 424,124,664             |

#### 2022

| By item                                     | Operating expense |                   |              |                   |               |                 |                   |                     | Subtotal      | Administration expenses |
|---|-------------------|-------------------|--------------|-------------------|---------------|-----------------|-------------------|---------------------|---------------|-------------------------|
|   | Senior welfare    | Social assistance | Scholarships | Volunteer service | Youth welfare | Disaster relief | Community welfare | Educational mission |               |                         |
| Personnel expenses                          | 27,544,856        | 253,707,706       | 31,060,426   | 7,516,868         | 23,552,691    | 58,275,333      | 6,918,790         | -                   | 408,576,670   | 324,213,235             |
| Service expenses                            | 123,273,311       | 157,466,079       | 19,514,302   | 19,273,764        | 78,058,672    | 19,563,181      | 6,780,740         | -                   | 423,930,049   | 27,529,716              |
| Consumption costs of materials and supplies | 13,206,939        | 19,209,563        | 2,191,784    | 3,061,788         | 8,770,914     | 2,209,060       | 13,197,444        | -                   | 61,847,492    | 11,979,454              |
| Rental expenses                             | 3,584,778         | 6,065,541         | 596,667      | 370,800           | 2,386,670     | 596,667         | 52,795            | -                   | 13,653,918    | 3,529,240               |
| Depreciation and amortization               | 128,619,612       | 171,492,816       | 21,436,602   | -                 | 85,746,408    | 21,436,602      | -                 | -                   | 428,732,040   | 11,917,276              |
| Donation expenses                           | 80,505,816        | 2,579,215,435     | 339,857,645  | 119,912,040       | 96,390,336    | 1,400,123,156   | 142,137,759       | 715,452,701         | 5,473,594,888 | -                       |
| Training expenses                           | 300               | 400               | 50           | -                 | 200           | 50              | 68,250            | -                   | 69,250        | 2,548,664               |
| Miscellaneous expenses                      | 776,074           | 17,752,708        | 129,346      | 18,978            | 517,382       | 129,345         | 154,923           | -                   | 19,478,756    | 2,067,376               |
| Total                                       | 377,511,686       | 3,204,910,248     | 414,786,822  | 150,154,238       | 295,423,273   | 1,502,333,394   | 169,310,701       | 715,452,701         | 6,829,883,063 | 383,784,961             |

### (b) Other disclosures

#### (i) Significant Business Activities:

- 1) Merging with other foundations: None.
- 2) Purchasing or disposing of significant assets: None.
- 3) Significant changes in operating model or business area: None.

## BUDDHIST TZU CHI CHARITY FOUNDATION

### Notes to the Financial Statements

(ii) Directors' and supervisors' recent remuneration:

| <b>Title</b>              | <b>Attendance allowance</b> | <b>Honorarium</b> | <b>Remuneration</b> | <b>Other</b> | <b>Total</b> |
|---------------------------|-----------------------------|-------------------|---------------------|--------------|--------------|
| Directors and supervisors | -                           | -                 | 2,044,373<br>(Note) | -            | 2,044,373    |

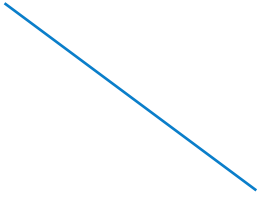
Note: All directors and supervisors of Foundation are unpaid, and do not receive any remuneration for their positions as directors and supervisors. The above remuneration was paid for the salaries of the directors who served as employees of the Society and the lecture fees paid by the professional professors.

(c) As of December 31, 2023 and 2022, the amount of member's fellowship allowance under the custody of the Foundation for authorized volunteer's fellowship and community activities amounted to \$452,754,552 and \$441,887,986, respectively.





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