

THE TAIWAN FUND, INC.®



Semi-Annual Report

February 28, 2023

(Unaudited)

THE TAIWAN
FUND, INC.

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Dear Stockholders,

The TAIEX Total Return Index (in U.S. dollar terms) ("TAIEX") returned 2.55% during the six month period ended February 28, 2023. The Taiwan equity market was positively impacted by a number of factors, including peaked US inflation, rising expectation of the US interest rate hike pause, China reopening and recovery from COVID-19, and the semiconductor sector bottoming out.

The Taiwan Fund, Inc.'s (the "Fund") total return based on net asset value ("NAV") for the six months ended February 28, 2023, was 7.88%, an outperformance of 5.32% when compared to its benchmark, the TAIEX. The factors impacting the Fund's performance are detailed in the Report of the Investment Manager.

On September 17, 2022, Nomura Asset Management U.S.A. Inc. took over management the Fund's portfolio from Allianz Global Investors U.S. LLC.

On behalf of the Board, I thank you for your continuing support of the Fund.

Sincerely,

A handwritten signature in black ink that reads "William C. Kirby". The signature is written in a cursive, flowing style.

William C. Kirby
Chairman

Market Review

For the six month period ended February 28, 2023, the TAIEX Total Return Index (the “Benchmark”) rose 2.55% in US dollar terms. The top three performing industry groups were Consumer Services, Health Care Equipment & Services, and Household & Personal Services. The top three underperforming industry groups were Consumer Staples Distribution & Retailing, Telecommunication Services, and Energy.

With the unexpected rally of the US equity market, the Taiwan stock market was able to reverse its downward trend. Market sentiment gradually shifted to a less bearish stance. The positive drivers came from the expected easing of the trajectory of US Federal Reserve’s rate hikes, a weaker US dollar and China reopening.

In the fourth quarter of 2022, equity markets posted positive returns as the US Consumer Price Index (“CPI”) data showed some easing of inflation. Remarks from the US Federal Reserve’s President Jerome Powell indicating that the central bank could begin to slow the pace of future rate hikes also raised investors’ hopes that the economy could still experience a “soft landing” rather than a more severe economic downturn (i.e. a hard landing). The US dollar Index (DXY) analysis, which had been at a multi-year high, also fell during the fourth quarter of 2022. This helped calm concerns over global financial stability.

After a difficult 2022, equities began the year on a positive note in January. Investors looked for moderating inflation data to persuade central banks to slow down their pace of monetary tightening, mitigating the potential negative impact on economic growth. Fears of a winter energy crisis in Europe also eased, while China’s relaxation of its Zero-COVID-19 policy raised optimism for improved mobility and economic activity in Asia. Also, there is an expectation that the low point of the inventory cycle may be reached as soon as the second or third quarter of 2023. As a result of the above, the Taiwan equity market was off to a strong start in 2023. The Benchmark outperformed the MSCI Taiwan Index by 4.44% over the first two months of 2023 as valuations were near the previous cycle low at the beginning of the year.

Portfolio Activity

The Taiwan Fund, Inc.'s (the "Fund") return for the six month period ending February 28, 2023 was 7.88%, outperforming the Benchmark by 5.32%. The Fund benefitted from the price appreciation in its holdings in the Semiconductor & Semiconductor Equipment industry group. When viewed on an industry group level, the Fund's overweight positions in Semiconductor & Semiconductor Equipment and Consumer Durables & Apparel industry groups plus its underweight position in the Banks, Materials, Energy, and Transportation industry groups helped overall performance. Stock selection in the Semiconductors & Semiconductor Equipment, Materials, and Capital Goods industry groups also contributed positively to the overall outperformance. However, the Fund's underweight position in Consumer Services and Consumer Discretionary Distribution & Retail dampened performance. At the stock selection level, the largest contributors were Taiwan Semiconductor Manufacturing Company, Ltd., Global Unichip Corporation and eMemory Technology, Inc., while the largest detractors were E Ink Holdings Inc., Compeq Manufacturing Co., Ltd. and Far EasTone Telecommunications Co., Ltd.

The Fund's holdings in Taiwan equities were at 91.96% of net assets at February month-end 2023, compared to 83.04% at the August month-end 2022, representing an increase of 8.92%. The major changes in the portfolio were to Food Beverage & Tobacco and Consumer Staples Distribution and Retail industry groups in consideration of their stable earnings growth. We also increased holding in the Materials industry group on better demand, driven by green energy-related businesses. The Fund has cut positions in the Technology Hardware & Equipment industry group due to expectations of continuous weak demand and profit taking.

On a stock selection level, we have added positions in Uni-President Enterprises Corp. and President Chain Store Corporation, based on our expectation of domestic consumption recovery. Additionally, in the Materials industry group, we have added a position in Swancor Holding Co., Ltd. with a focus on its wind power related business. In contrast, we have reduced holdings in the Technology Hardware & Equipment industry group, based on our belief of weaker than expected demand. We have reduced our holding in E Ink Holdings

Inc., as its clients announced conservative business plans and component suppliers reported higher inventories.

Outlook and Strategy

The US inflation data and US dollar moved higher in February, though we continue to believe they peaked in 2022. In the United States, the recent surprise in payroll numbers boosted concerns of stickier inflationary pressures going forward, while the CPI did not provide any clear signs of deceleration in categories more exposed to labor market pressures. Having said that, we continue to believe that the deferred effect of monetary policy will play out and we expect continuing softening of inflation pressure.

Turning our focus back to the Taiwan equity market, we continue to see it as being dominated by Semiconductors & Semiconductor Equipment and Technology Hardware & Equipment industry groups. For these industry groups, increasing inventory and order reductions have driven the market dynamics in 2022. However, companies have recently begun to show that the inventory adjustments have done well and that they expect inventory levels to return to normal in the second or third quarter of 2023. Based on our experience, semiconductor stocks typically make their trough before the inventory cycle begins to turn around.

Although we are not pessimistic about the outlook for semiconductors, we reiterate that inventory digestion and, more importantly, the speed of demand recovery in second half of 2023 remains to be observed. As interest rates may remain high, end consumer spending may turn more conservative with enterprises scaling back capacity in the future. We believe that the weakening in demand is likely to persist and would lead to the trough in earnings over the first half of 2023. In other words, the equity market still needs to prepare for downward earnings revisions.

In our view, the fundamental trough in the first half of 2023 may provide opportunities to buy on dips. We continue to favor companies that can benefit from market share gains, secular growth trends and strengthening competitiveness, as they are more likely to outperform in a weak cycle. We also continue to focus on companies in which earnings revisions are stabilizing and are trading at reasonable valuations, though we remain vigilant on the uncertainty

of the global macro environment, potential recession risk and geopolitical risk. Hence, our approach will remain the same: to buy on dips. Any pull back should present a good buying opportunity to accumulate positions in growth sectors and stocks with reasonable valuations.

Nomura Asset Management U.S.A. Inc. (“Nomura”) became investment adviser to the Fund on September 17, 2022. Nomura is a U.S.-based firm registered as an investment adviser with the Securities and Exchange Commission. The firm is a wholly owned subsidiary of Nomura Asset Management Co., Ltd. (“NAM Tokyo”), which is itself wholly owned by Nomura Holdings, Inc., a Japanese public company focused on the financial services industry. As of December 31, 2022, the total assets under management of NAM Tokyo and its investment advisory subsidiaries and affiliates (the “NAM Group”) amounted to US\$470.0 billion. NAM Tokyo’s affiliate, Nomura Asset Management Taiwan Ltd. (“NAM Taiwan”), had total assets under management at December 31, 2022 of US\$19.0 billion including US\$4.7 billion invested in Taiwan equity mandates.

Sky Chen
Portfolio Manager

Sky Chen has been a Portfolio Manager at Nomura Asset Management Taiwan Ltd. since 2007 and has worked in the Taiwan investment industry since 1998. Prior to joining Nomura, Sky worked as a Portfolio Manager at First Capital Management and as a sell-side analyst at JihSun Securities. Sky received a B.S. degree in Economics from Chung Hsing University in 1996 and a Master’s degree in Finance from the National Chiao Tung University 1998.

George Hsieh
Deputy Portfolio Manager

George Hsieh is a Portfolio Manager who joined Nomura Asset Management Taiwan Ltd. in 2003 and has worked in the Taiwan investment industry since 2001. Prior to Nomura, George worked as an analyst at Capital AM. George received a B.S. degree in Business Administration from Taiwan University in 1996 and a Master’s degree in International Business from NCCU in 1998.

PORTFOLIO SNAPSHOT*

Top Ten Equity Holdings (unaudited)

HOLDINGS AS OF FEBRUARY 28, 2023	%
Taiwan Semiconductor Manufacturing Co. Ltd.	23.6
eMemory Technology, Inc.	5.2
Global Unichip Corp.	4.5
Nuvoton Technology Corp.	3.9
Delta Electronics, Inc.	3.9
Advanced Energy Solution Holding Co. Ltd.	3.8
ASPEED Technology, Inc.	3.6
Asia Vital Components Co. Ltd.	3.1
Alchip Technologies Ltd.	2.8
Lotes Co. Ltd.	2.7

Top Ten Industry Weightings (unaudited)

WEIGHTINGS AS OF FEBRUARY 28, 2023	%
Semiconductors & Semiconductor Equipment	50.8
Electronic Equipment, Instruments & Components	15.3
Technology Hardware, Storage & Peripherals	4.8
Textiles, Apparel & Luxury Goods	4.2
Electrical Equipment	3.8
Wireless Telecommunication Services	2.0
Diversified Telecommunication Services	2.0
Food & Staples Retailing	2.0
Communications Equipment	1.6
Diversified Financial Services	1.4

Top Ten Equity Holdings

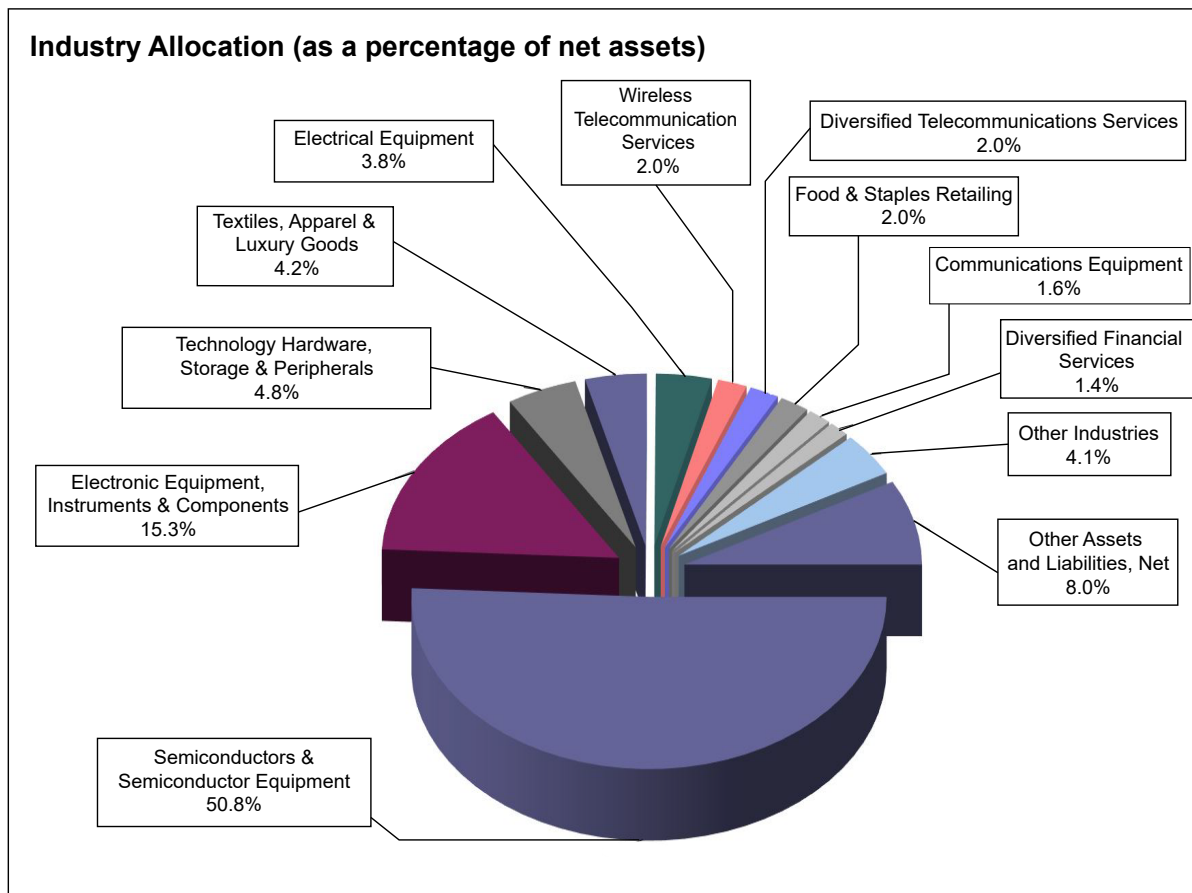
HOLDINGS AS OF AUGUST 31, 2022	%
Taiwan Semiconductor Manufacturing Co. Ltd.	25.0
Hon Hai Precision Industry Co. Ltd.	4.5
Chunghwa Telecom Co. Ltd.	4.0
Accton Technology Corp.	3.7
Delta Electronics, Inc.	3.6
Pegavision Corp.	2.9
Gold Circuit Electronics Ltd.	2.4
Taiwan Mobile Co. Ltd.	2.4
Far EasTone Telecommunications Co. Ltd.	2.3
Asia Vital Components Co. Ltd.	2.2

Top Ten Industry Weightings

WEIGHTINGS AS OF AUGUST 31, 2022	%
Semiconductors & Semiconductor Equipment	33.5
Electronic Equipment, Instruments & Components	11.2
Diversified Telecommunication Services	10.1
Electronic Parts & Components Industry	4.7
Textiles, Apparel & Luxury Goods	3.1
Technology Hardware, Storage & Peripherals	3.1
Health Care Equipment & Supplies	2.9
Electrical Equipment	2.7
Wireless Telecommunication Services	2.3
Optoelectronics Industry	2.2

* Percentages based on net assets.

INDUSTRY ALLOCATION *(unaudited)*



Fund holdings are subject to change and percentages shown above are based on net assets as of February 28, 2023. The pie chart illustrates the allocation of the investments by industry. A complete list of holdings as of February 28, 2023 is contained in the Schedule of Investments included in this report. The most current available data regarding portfolio holdings and industry allocation can be found on our website, www.thetaiwanfund.com. You may also obtain updated holdings by calling 1-800-426-5523.

SCHEDULE OF INVESTMENTS/FEBRUARY 28, 2023

(SHOWING PERCENTAGE OF NET ASSETS) *(unaudited)*

	<u>SHARES</u>	US \$ VALUE (NOTE 1)		<u>SHARES</u>	US \$ VALUE (NOTE 1)
COMMON STOCKS – 92.0%					
COMMUNICATION SERVICES — 4.0%					
Diversified Telecommunication Services — 2.0%					
Chungghwa Telecom Co. Ltd.	1,285,000	\$ 4,871,019			
Wireless Telecommunication Services — 2.0%					
Far EasTone Telecommunications Co. Ltd. .	1,639,000	3,711,613			
Taiwan Mobile Co. Ltd.	373,000	1,182,553			
		<u>4,894,166</u>			
TOTAL COMMUNICATION SERVICES		<u>9,765,185</u>			
CONSUMER DISCRETIONARY — 5.5%					
Household Durables — 0.7%					
Nien Made Enterprise Co. Ltd.	160,000	1,711,876			
Leisure Products — 0.6%					
Giant Manufacturing Co. Ltd.	20,000	133,576			
Merida Industry Co. Ltd.	198,000	1,169,694			
		<u>1,303,270</u>			
Textiles, Apparel & Luxury Goods — 4.2%					
Eclat Textile Co. Ltd.	287,000	4,525,952			
Feng TAY Enterprise Co. Ltd.	290,000	1,760,777			
Fulgent Sun International Holding Co. Ltd.	505,000	2,262,345			
Makalot Industrial Co. Ltd.	196,000	1,379,806			
Taiwan Paiho Ltd.	100,000	203,154			
		<u>10,132,034</u>			
TOTAL CONSUMER DISCRETIONARY		<u>13,147,180</u>			
CONSUMER STAPLES — 3.0%					
Food & Staples Retailing — 2.0%					
President Chain Store Corp.	549,000	4,810,811			
Food Products — 1.0%					
Uni-President Enterprises Corp.	1,080,000	2,392,556			
TOTAL CONSUMER STAPLES		<u>7,203,367</u>			
FINANCIALS — 1.4%					
Diversified Financial Services — 1.4%					
Chailease Holding Co. Ltd.	470,000	3,478,397			
TOTAL FINANCIALS		<u>3,478,397</u>			
INDUSTRIALS — 4.0%					
Electrical Equipment — 3.8%					
Advanced Energy Solution Holding Co. Ltd. ^(a)	340,000	9,183,610			
INDUSTRIALS — (continued)					
Machinery — 0.2%					
Nak Sealing Technologies Corp.	105,000	\$ 411,805			
TOTAL INDUSTRIALS		<u>9,595,415</u>			
INFORMATION TECHNOLOGY — 72.5%					
Communications Equipment — 1.6%					
Accton Technology Corp.	407,000	3,780,206			
Electronic Equipment, Instruments & Components — 15.3%					
Compeq Manufacturing Co. Ltd.	1,376,000	2,059,292			
Delta Electronics, Inc.	991,000	9,318,220			
E Ink Holdings, Inc.	536,000	3,421,520			
Genius Electronic Optical Co. Ltd.	181,000	2,310,803			
Gold Circuit Electronics Ltd. ^(a)	1,772,100	5,356,517			
Hon Hai Precision Industry Co. Ltd.	916,000	3,036,348			
Largan Precision Co. Ltd.	29,000	2,098,656			
Lotes Co. Ltd.	230,000	6,499,286			
Tong Hsing Electronic Industries Ltd.	385,100	2,767,912			
		<u>36,868,554</u>			
Semiconductors & Semiconductor Equipment — 50.8%					
Alchip Technologies Ltd.	215,000	6,661,087			
ASPEED Technology, Inc. ^(a)	95,000	8,714,452			
eMemory Technology, Inc.	204,000	12,520,061			
Global Unichip Corp. ^(a)	283,000	10,774,053			
Globalwafers Co. Ltd.	78,000	1,310,688			
Jentech Precision Industrial Co. Ltd. ^(a) .	240,000	3,347,610			
MediaTek, Inc.	202,000	4,793,187			
Novatek Microelectronics Corp.	51,000	682,075			
Nuvoton Technology Corp. ^(a)	1,950,000	9,439,768			
Realtek Semiconductor Corp.	282,000	3,516,960			
SDI Corp. ^(a)	955,000	3,886,509			
Taiwan Semiconductor Manufacturing Co. Ltd.	3,402,000	57,054,497			
		<u>122,700,947</u>			
Technology Hardware, Storage & Peripherals — 4.8%					
Asia Vital Components Co. Ltd.	1,864,000	7,371,700			
Gigabyte Technology Co. Ltd.	481,000	1,878,567			
Wiwynn Corp.	76,000	2,416,974			
		<u>11,667,241</u>			
TOTAL INFORMATION TECHNOLOGY		<u>175,016,948</u>			

SCHEDULE OF INVESTMENTS/FEBRUARY 28, 2023

(SHOWING PERCENTAGE OF NET ASSETS) *(unaudited) (concluded)*

	<u>SHARES</u>	<u>US \$ VALUE (NOTE 1)</u>
MATERIALS — 1.6%		
Chemicals — 1.0%		
Swancor Holding Co. Ltd. ^(a)	645,000	\$ <u>2,317,974</u>
Metals & Mining — 0.6%		
Century Iron & Steel Industrial Co. Ltd. ...	431,000	<u>1,471,110</u>
TOTAL MATERIALS		<u>3,789,084</u>
TOTAL COMMON STOCKS		
(Cost — \$176,480,734)		<u>221,995,576</u>
TOTAL INVESTMENTS — 92.0%		
(Cost — \$176,480,734)		<u>221,995,576</u>
OTHER ASSETS AND LIABILITIES,		
NET—8.0%		<u>19,418,763</u>
NET ASSETS—100.0%		<u>\$241,414,339</u>

Legend:

US \$ – United States dollar

^(a) All or a portion of the security is on loan. The market value of the securities on loan is \$10,262,748 collateralized by non-cash collateral such as U.S. Government securities in the amount of \$10,807,900.

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

February 28, 2023 (unaudited)

Assets:

Investments in securities, at value (cost \$176,480,734) (Notes 2 and 3)	\$ 221,995,576
Cash	11,643,206
Foreign cash (cost \$8,290,064)	8,267,616
Securities lending receivable	61,122
Prepaid expenses	11,409
Total assets	<u>241,978,929</u>

Liabilities:

Payable for performance adjustment ... \$	263,922
Accrued custodian fees	50,012
Accrued management fee (Note 4)	35,317
Accrued audit fees	32,828
Accrued director's and officer's fees ...	23,642
Other payables and accrued expenses ..	<u>158,869</u>
Total liabilities	<u>564,590</u>

Net Assets

	<u>\$ 241,414,339</u>
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Net Assets Consist of:

Paid in capital	\$ 256,838,588
Total distributable earnings (loss)	<u>\$ (15,424,249)</u>

Net Assets

	<u>\$ 241,414,339</u>
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Net Asset Value, per share

(\$241,414,339/7,470,494 shares outstanding)	<u>\$ 32.32</u>
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STATEMENT OF OPERATIONS

For the Six Months Ended February 28, 2023 (unaudited)

Investment Income:

Dividends	\$ 990,825
Securities Lending Income	<u>57,062</u>
	1,047,887
Less: Taiwan stock dividend tax (Note 2)	<u>(180,006)</u>
Total investment income	867,881

Expenses:

Management fees (Note 4)	\$ 643,155
Performance adjustment	263,922
Directors' fees	211,637
Custodian fees	110,938
Administration and accounting fees ...	105,921
Legal fees	74,100
Stockholder communications	40,586
Insurance fees	40,287
Tax guarantor fees	33,125
Audit fees	32,828
Compliance services fees	32,728
Principal financial officer fees	32,728
Transfer agent fees	11,641
Miscellaneous	<u>77,293</u>
Total expenses	<u>1,710,889</u>
Less: Fee waiver	(178,681)
Net Expenses	<u>1,532,208</u>

Net Investment (Loss)

	<u>(664,327)</u>
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Realized and Unrealized

Gain (Loss) on:

Net realized gain (loss) on:	
Investments	(4,794,180)
Foreign currency transactions	<u>117,994</u>
	<u>(4,676,186)</u>

Net change in unrealized

appreciation (depreciation) on:

Investments	22,506,645
Foreign currency translations	<u>432,611</u>
	<u>22,939,256</u>

Net realized and unrealized gain

	<u>18,263,070</u>
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Net Increase in Net Assets

Resulting From Operations

	<u>\$ 17,598,743</u>
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FINANCIAL STATEMENTS *(continued)*

STATEMENTS OF CHANGES IN NET ASSETS

	<i>Six Months Ended</i> <i>February 28, 2023</i>	<i>Year Ended</i> <i>August 31, 2022</i>
	<i>(Unaudited)</i>	
Increase/(Decrease) in Net Assets		
Operations:		
Net investment income (loss)	\$ (664,327)	\$ 2,454,980
Net realized loss on investments and foreign currency transactions	(4,676,186)	(12,629,441)
Net change in unrealized appreciation (depreciation) on investments and foreign currency translations	<u>22,939,256</u>	<u>(64,155,101)</u>
Net increase (decrease) in net assets resulting from operations	<u>17,598,743</u>	<u>(74,329,562)</u>
Distributions to stockholders from:		
Distributable Income	<u>—</u>	<u>(21,829,255)</u>
Total distributions to stockholders	<u>—</u>	<u>(21,829,255)</u>
Capital stock transactions (Note 6):		
Reinvestment of distributions	<u>—</u>	<u>59,145</u>
Total capital stock transactions	<u>—</u>	<u>59,145</u>
Increase (decrease) in net assets	<u>17,598,743</u>	<u>(96,099,672)</u>
Net Assets		
Beginning of period	<u>223,815,596</u>	<u>319,915,268</u>
End of period	<u>\$ 241,414,339</u>	<u>\$ 223,815,596</u>

FINANCIAL STATEMENTS *(concluded)*

FINANCIAL HIGHLIGHTS

Selected data for a share of common stock outstanding for the periods indicated

	Six Months Ended February 28, 2023 [†]	Year Ended August 31,				
		2022	2021	2020	2019 [†]	2018
Selected Per Share Data						
Net asset value, beginning of period	\$ 29.96	\$ 42.83	\$ 28.79	\$ 20.80	\$ 23.05	\$ 24.11
Income from Investment Operations:						
Net investment income (loss) ^(a)	(0.09)	0.33	0.04	0.06	0.21	0.22
Net realized and unrealized gain (loss) on investments and foreign currency transactions	2.45	(10.28)	17.31	9.54	(0.87)	(0.65)
Total from investment operations	2.36	(9.95)	17.35	9.60	(0.66)	(0.43)
Less Distributions to Stockholders from:						
Net investment income	—	(0.48)	(0.38)	(1.47)	—	(0.66)
Net realized gains	—	(2.44)	(2.93)	(0.23)	(1.71)	—
Total distributions to stockholders	—	(2.92)	(3.31)	(1.70)	(1.71)	(0.66)
Capital Share Transactions:						
Accretion (dilution) to net asset value, resulting from share repurchase program, tender offer or issuance of shares for the reinvestment of distributions from net investment income and net realized gains	—	0.00 ^(b)	0.00 ^(b)	0.09	0.12	0.03
Net asset value, end of period	\$ 32.32	\$ 29.96	\$ 42.83	\$ 28.79	\$ 20.80	\$ 23.05
Market value, end of period	\$ 26.71	\$ 25.20	\$ 35.83	\$ 23.65	\$ 17.84	\$ 19.85
Total Return						
Per share net asset value ^(c)	7.88%	(24.42)%	66.88%	49.63%	0.49%	(1.46)%
Per share market value ^(c)	5.99%	(24.01)%	69.95%	43.31%	0.08%	(4.26)%
Ratio and Supplemental Data:						
Net Assets, end of period (000s)	\$241,414	\$223,816	\$319,915	\$214,956	\$159,705	\$186,948
Ratio of expenses before fee waiver	1.62% ^(d)	1.02%	1.44%	1.70%	1.74%	1.71%
Ratio of expenses after fee waiver	1.45% ^(d)	0.96%	1.44%	1.70%	1.73%	1.71%
Ratio of net investment income (loss)	(0.63)% ^(d)	0.86%	0.12%	0.23%	1.07%	0.94%
Portfolio turnover rate	34% ^(e)	127%	242%	241%	115%	112%

^(a) Based on average shares outstanding during the period.

^(b) Amount represents less than \$0.005 per share.

^(c) Total investment return at net asset value ("NAV") is based on changes in the NAV of Fund shares and assumes reinvestment of dividends and distributions, if any. Total investment return at market value is based on changes in the market price at which the Fund's shares traded on the stock exchange during the period and assumes reinvestment of dividends and distributions, if any, at actual prices pursuant to the Fund's dividend reinvestment program. Because the Fund's shares trade in the stock market based on investor demand, the Fund may trade at a price higher or lower than its NAV. Therefore, returns are calculated based on share price and NAV.

^(d) Annualized.

^(e) Not annualized.

[†] The Fund's investment management arrangements changed in June 2019, and in September 2022.

NOTES TO FINANCIAL STATEMENTS *(unaudited)*

FEBRUARY 28, 2023

1. Organization

The Taiwan Fund, Inc. (the “Fund”), a Maryland corporation, is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a diversified closed-end management investment fund.

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standard Codification Topic 946 “Financial Services - Investment Companies.”

The Fund concentrates its investments in the securities listed on the Taiwan Stock Exchange. Because of this concentration, the Fund may be subject to certain additional risks not typically associated with investing in securities of U.S. companies or the U.S. government, including (1) volatility of the Taiwan securities market, (2) restrictions on repatriation of capital invested in Taiwan, (3) fluctuations in the rate of exchange between the New Taiwan Dollar and the U.S. Dollar, and (4) political and economic risks, including tensions and the potential of conflict with the People’s Republic of China. In addition, Republic of China accounting, auditing, financial and other reporting standards are not equivalent to U.S. standards and, therefore, certain material disclosures may not be made, and less information may be available to investors investing in Taiwan than in the United States. There is also generally less regulation by governmental agencies and self-regulatory organizations with respect to the securities industry in Taiwan than there is in the United States.

2. Significant Accounting Policies

The financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from those estimates. Management has evaluated the impact of all events or transactions occurring after period end through the date these financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure. The following summarizes the significant accounting policies of the Fund:

Security Valuation. All securities, including those traded over-the-counter, for which market quotations are readily available are valued at the last sales price prior to the time of determination of the Fund’s net asset value per share or, if there were no sales on such date, at the closing price quoted for such securities (but if bid and asked quotations are available, at the mean between the last current bid and asked prices, rather than such quoted closing price). These securities are generally categorized as Level 1 securities in the fair value hierarchy. In certain instances where the price determined above may not represent fair market value, the value is determined by the Investment Adviser, acting as the Board of Directors’ (the “Board”) Valuation Designee. Foreign securities may be valued at fair value according to procedures approved by the Board if the closing price is not reflective of current market values due to trading or events occurring in the valuation time of the Fund. In addition, substantial changes in values in the U.S. markets subsequent to the close of a foreign market may also affect the values of securities traded in the foreign market. These securities may be categorized as Level 2 or Level 3 securities in the fair value hierarchy, depending on the valuation inputs. Short-term investments, having a maturity of 60 days or less are valued at amortized cost, which approximates market value, with accrued interest or discount earned included in interest receivable.

NOTES TO FINANCIAL STATEMENTS *(unaudited) (continued)*

FEBRUARY 28, 2023

2. Significant Accounting Policies — *continued*

The Fund has adopted fair valuation accounting standards which establish a definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value and a discussion of changes in valuation techniques and related inputs during the period. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted unadjusted prices for identical instruments in active markets to which the Fund has access at the date of measurement.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.
- Level 3 – model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Fund’s own assumptions that market participants would use to price the asset or liability based on the best available information.

Investments in Securities	Level 1	Level 2	Level 3	Total
Common Stocks [^]	\$221,995,576	\$ —	\$ —	\$221,995,576
Total	<u>\$221,995,576</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$221,995,576</u>

[^] See schedule of investments for industry breakout.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Repurchase Agreements. In connection with transactions in repurchase agreements, it is the Fund’s policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Fund may be delayed or limited. As of February 28, 2023, the Fund was not participating in any repurchase agreements.

Securities lending. The Fund may lend securities to qualified financial institutions, brokers and dealers. State Street Bank & Trust serves as securities lending agent to the Fund pursuant to a Securities Lending Authorization Agreement. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions. The lending of securities exposes the Fund to risks such as; the borrowers may fail to return the loaned securities or may not be able to provide additional collateral, the Fund may experience delays in recovery of the loaned securities or delays in access to collateral, or the Fund may experience losses related to the investment collateral. To minimize certain risks, loan counterparties pledge securities issued or guaranteed by the U.S. Government or irrevocable letters of credit issued by banks as collateral. The initial collateral received by the Fund is required to have a value of at least 102% of the current value of the loaned securities traded on U.S. exchanges, and a value of at least 105% for all other securities. The lending agent has agreed to indemnify the Fund in the case of default of any securities borrower.

NOTES TO FINANCIAL STATEMENTS *(unaudited) (continued)*

FEBRUARY 28, 2023

2. Significant Accounting Policies — *continued*

The Fund receives compensation for lending securities from interest or dividends earned on the U.S. Government securities and irrevocable letters of credit held as collateral (and in some cases fees paid by borrowers), less associated fees and expenses. Such income is reflected in securities lending income within the Statement of Operations.

The value of loaned securities and related non-cash collateral outstanding at February 28, 2023, if any, are shown on a gross basis in a footnote to the Schedule of Investments.

Foreign Currency Translation. The financial accounting records of the Fund are maintained in U.S. Dollars. Investment securities, other assets and liabilities denominated in a foreign currency are translated into U.S. Dollars at the current exchange rate. Purchases and sales of securities, income receipts and expense payments are translated into U.S. Dollars at the exchange rate on the dates of the transactions.

Reported net realized gains and losses on foreign currency transactions represent net gains and losses from disposition of foreign currencies, currency gains and losses realized between the trade dates and settlement dates of security transactions, and the difference between the amount of net investment income accrued and the U.S. Dollar amount actually received. The effects of changes in foreign currency exchange rates on investments in securities are not segregated in the Statement of Operations from the effects of changes in market prices of those securities but are included in realized and unrealized gain or loss on investments.

Forward Foreign Currency Transactions. A forward foreign currency contract (“Forward”) is an agreement between two parties to buy or sell currency at a set price on a future date. The Fund may enter into Forwards in order to hedge foreign currency risk or for other risk management purposes. Realized gains or losses on Forwards include net gains or

losses on contracts that have matured or which the Fund has terminated by entering into an offsetting closing transaction. Unrealized appreciation or depreciation on Forwards, if any, is included in the Statement of Assets and Liabilities. The portfolio could be exposed to risk of loss if the counterparty is unable to meet the terms of the contract or if the value of the currency changes unfavorably. As of February 28, 2023, the Fund had no open Forwards.

Indemnification Obligations. Under the Fund’s organizational documents, its officers and directors are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business the Fund enters into contracts that provide general indemnifications to other parties. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred.

Taxes. As a qualified Regulated Investment Company under Subchapter M of the Internal Revenue Code, the Fund is not subject to income taxes to the extent that it distributes all of its investment company taxable income and net realized capital gains for its fiscal year. In addition to federal income tax for which the Fund is liable on undistributed amounts, the Fund is subject to federal excise tax on undistributed investment company taxable income and net realized capital gains. Also, the Fund is currently subject to a Taiwan security transaction tax of 0.3% on sales of equities and 0.1% on sales of mutual fund shares based on the transaction amount. Security transaction tax is embedded in the cost basis of each security and contributes to the realized gain or loss for the Fund. Security transaction taxes are not accrued until the tax becomes payable.

The Fund’s functional currency for tax reporting purposes is the New Taiwan Dollar.

NOTES TO FINANCIAL STATEMENTS *(unaudited) (continued)*

FEBRUARY 28, 2023

2. Significant Accounting Policies — *continued*

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed the Fund’s tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for prior three fiscal years. The Fund identifies its major tax jurisdictions as U.S. Federal, Maryland and Taiwan where the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

Investment Income. Dividend income is recorded on the ex-dividend date; except, where the ex-dividend date may have passed, certain dividends from foreign securities are recorded as soon as the Fund is informed of the ex-dividend date.

Taiwanese companies typically declare dividends in the Fund’s third fiscal quarter of each year. As a result, the Fund receives substantially less dividend income in the first half of its year. Interest income, which includes accretion of original discount, is accrued as earned.

Dividend and interest income generated in Taiwan is subject to a 21% withholding tax. Stock dividends received (except those which have resulted from capitalization of capital surplus) are taxable at 21% of the par value of the stock dividends received.

Distributions to Stockholders. The Fund distributes to stockholders at least annually, substantially all of its taxable ordinary income and expects to distribute its taxable net realized gains. Certain foreign currency gains (losses) are taxable as ordinary income and, therefore, increase (decrease) taxable ordinary income available for distribution. Pursuant to the Dividend Reinvestment and Cash Purchase Plan (the “Plan”), stockholders may elect to have all cash distributions automatically reinvested in Fund shares.

(See the summary of the Plan described later.) Unless the Board elects to make a distribution in shares of the Fund’s common stock, stockholders who do not participate in the Plan will receive all distributions in cash paid by check in U.S. dollars. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP. No capital gain distributions shall be made until any capital loss carryforwards have been fully utilized or expired.

Tax components of distributable earnings are determined in accordance with income tax regulations which may differ from the composition of net assets reported under GAAP. Book and tax basis differences, if any, are primarily due to differing treatments for foreign currency transactions, net operating loss and post October capital and late year ordinary loss deferrals.

Permanent book and tax basis differences relating to stockholder distributions will result in reclassifications between components of net assets. Accordingly, for the year ended August 31, 2022, the effects of certain differences were reclassified. The Fund decreased distributable earnings by \$4,960,675, and increased paid in capital by \$4,960,675.

Security Transactions. Security transactions are accounted as of the trade date. Gains and losses on securities sold are determined on the basis of identified cost.

3. Purchases and Sales of Securities

For the six months ended February 28, 2023, purchases and sales of securities, other than short-term securities, aggregated \$81,566,003 and \$62,903,035, respectively.

NOTES TO FINANCIAL STATEMENTS *(unaudited) (continued)*

FEBRUARY 28, 2023

4. Management Fees and Other Service Providers

Management Fee. Effective September 17, 2022, the Fund entered into an Investment Management Agreement (the “Agreement”) with Nomura Asset Management U.S.A. Inc. (“Nomura”). Under the terms of the Agreement, Nomura receives a fee for its services, computed daily and payable monthly in U.S. dollars, at the annual rate of 0.60% of the Fund’s average daily net assets (“Base Fee”) with a performance adjustment (“Performance Adjustment”) of up to +/-0.25% (25 basis points) of the Fund’s average daily net assets, which would occur when the performance of the Fund’s shares exceeds, or is exceeded by, the performance of the Index by 5 percentage points (500 basis points) for the Performance Period.

Prior to September 17, 2022, the Fund’s investment adviser was Allianz Global Investors U.S. LLC (“Allianz”). Allianz received a fee for its services, computed daily and payable monthly in U.S. dollars, at the annual rate of 0.70% of the Fund’s average daily net assets with a performance adjustment of up to +/-0.25% (25 basis points) of the Fund’s average daily net assets which would occur when the performance of the Fund’s shares exceeded by the performance of the Index by 5 percentage points (500 basis points) for the Performance Period.

For the period September 1, 2022, through February 28, 2023, the management fee was equivalent to an annual rate of 0.69% of the Fund’s weighted average daily net assets which reflected a 0.25% Performance Adjustment and the waiver of management fees by Allianz to cover certain Fund expenses.

Administration Fees. State Street Bank and Trust Company (“State Street”) provides or arranges for the provision of certain administrative and accounting services for the Fund, including maintaining the books and records of the Fund, and preparing certain reports and other documents required by federal and/or state laws and regulations. State Street also provides certain legal administrative services, including corporate secretarial services and preparing

regulatory filings. State Street also serves as the custodian (the “Custodian”) to the Fund. For these services, the Fund pays State Street both fixed fees and asset based fees that vary according to the number of positions and transactions and out of pocket expenses.

Director’s and Officer’s Fees and Expenses. The Fund pays each of its directors who is not an “interested person” of the Fund, as the term is defined in the 1940 Act, an annual fee of \$30,000 (\$40,000 for the Chairman of the Board and the Chairman of the Audit Committee) plus a fee of \$6,000 for attending the quarterly Board and Committee meetings. The Fund will pay each Director \$2,000 for meetings held on days separate from the quarterly Board meeting.

Other Service Providers. Pursuant to a Compliance Services Agreement, Foreside Fund Officer Services, LLC (“FFOS”) provides the Fund with a Chief Compliance Officer. FFOS is paid customary fees for its services. Foreside Management Services, LLC (“FMS”) provides the Fund with a Treasurer. Neither FFOS, FMS, nor their employees that serve as officers of the Fund, have a role in determining the investment policies or which securities are purchased or sold by the Fund.

General. Certain officers of the Fund may also be employees of the aforementioned companies that provide services to the Fund, and during their terms of office, receive no compensation from the Fund.

NOTES TO FINANCIAL STATEMENTS *(unaudited) (concluded)*

FEBRUARY 28, 2023

5. Discount Management Policy / Conditional Tender Offer Policy

Until December 16, 2020, the Fund had a Discount Management Program (the “Program”) which authorized management to make open market purchases in an aggregate amount up to 10% of the Fund’s outstanding shares. During the six months ended February 28, 2023, the Fund did not repurchase any shares under the Program.

On December 16, 2020, the Board announced that it has adopted a conditional tender offer policy (the “Policy”) in lieu of the Program. Under the Policy, the Fund will conduct a tender offer to purchase up to 25% of its outstanding shares at 98% of NAV if the Fund’s NAV performance for the five-year period ending December 31, 2025, were exceeded by the performance of the Fund’s benchmark (the Taiex Total Return Index) over that period.

The Board regularly reviews the discount at which the Fund’s shares trade below its NAV.

6. Fund Shares

At February 28, 2023, there were 100,000,000 shares of \$0.01 par value capital stock authorized, of which 7,470,494 were issued and outstanding.

For the period ended February 28, 2023, the Fund did not repurchase shares of its common stock.

	For the Period Ended February 28, 2023	For the Year Ended August 31, 2022
Shares outstanding at beginning of year	7,470,494	7,468,866
Shares issued from reinvestment of distributions	—	1,628
Shares outstanding at end of period	<u>7,470,494</u>	<u>7,470,494</u>

7. Federal Tax Information

The tax character of distributions paid by the Fund during the years ended August 31, 2022, and August 31, 2021, were as follows:

	Year Ended August 31, 2022	Year Ended August 31, 2021
Capital Gains	\$ 21,455,350	\$ 6,458,787
Ordinary Income	\$ —	\$ 18,272,251
Distribution in excess of Ordinary Income	<u>\$ 373,905</u>	<u>\$ —</u>
Total	<u>\$ 21,829,255</u>	<u>\$ 24,731,038</u>

As of August 31, 2022, the tax components of accumulated net earnings (losses) were \$22,462,972 of Unrealized Appreciation and \$9,213,096 of post October capital loss deferral and \$46,272,868 late-year ordinary loss deferral. Net Capital losses incurred after October 31 and within the taxable year, are deemed to arise on the first day of the Fund’s next taxable year. Net late-year ordinary losses incurred after December 31 and within the taxable year, and net late-year specified losses incurred after October 31 and within the taxable year, are deemed to arise on the first day of the Fund’s next taxable year. For the year ended August 31, 2022, the Fund did not utilize any tax loss carryovers.

The difference between book basis and tax basis unrealized appreciation and depreciation is attributable primarily to the tax deferral of losses on wash sales and passive foreign investment company adjustments. At February 28, 2023, the aggregate cost basis of the Fund’s investment securities for income tax purposes was \$176,480,734. Net unrealized appreciation of the Fund’s investment securities was \$45,514,842 of which \$48,865,268 was related to appreciated investment securities and \$3,350,426 was related to depreciated investment securities.

OTHER INFORMATION *(unaudited)*

Federal Tax Information. The Fund has made an election under Internal Revenue Code Section 853 to pass through foreign taxes paid by the Fund to its stockholders. For the year ended August 31, 2022, the total amount of foreign taxes paid that was passed through to its stockholders for information reporting purposes was \$1,137,412 (representing taxes withheld plus taxes on stock dividends).

In addition, for the year ended August 31, 2022, the Fund paid distributions of \$21,455,350 which were designated as long term capital gains dividends.

Privacy Policy

Privacy Notice

The Taiwan Fund, Inc. collects non-public personal information about its stockholders from the following sources:

- Information it receives from stockholders on applications or other forms;
- Information about stockholder transactions with the Fund, its affiliates, or others; and
- Information it receives from a consumer reporting agency.

The Fund's policy is to not disclose nonpublic personal information about its stockholders to nonaffiliated third parties (other than disclosures permitted by law).

The Fund restricts access to nonpublic personal information about its stockholders to those agents of the Fund who need to know that information to provide products or services to stockholders. The Fund maintains physical, electronic, and procedural safeguards that comply with federal standards to guard its stockholders' nonpublic personal information.

Proxy Voting Policies and Procedures

A description of the policies and procedures that are used by the Fund's investment adviser to vote proxies relating to the Fund's portfolio securities is available (1) without charge, upon request, by calling 1-800-426-5523; and (2) as an exhibit to the Fund's annual report on Form N-CSR which is available on the website of the Securities and Exchange Commission (the "Commission") at <http://www.sec.gov>. Information regarding how the investment adviser voted these proxies during the most recent 12-month period ended June 30 is available without charge, upon request, by calling the same number or by accessing the Commission's website.

Quarterly Portfolio of Investments

The Fund files its complete Schedule of Investments with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT reports are available on the SEC's website at <http://www.sec.gov>. The quarterly Schedule of Investments will be made available without charge, upon request, by calling 1-800-426-5223, or on the Fund's website at www.thetaiwanfund.com.

OTHER INFORMATION *(unaudited) (concluded)*

Certifications

The Fund's chief executive officer has certified to the New York Stock Exchange that, as of April 21, 2022, he was not aware of any violation by the Fund of applicable New York Stock Exchange corporate governance listing standards. Also, in accordance with Section 303A.12 of the New York Stock Exchange Listed Company Manual, the Fund submitted an Interim Written Affirmation on April 21, 2022. The Fund also has included the certifications of the Fund's chief executive officer and chief financial officer required by Section 302 and Section 906 of the Sarbanes-Oxley Act of 2002 in the Fund's Form N-CSR filed with the Commission, for the period of this report.

SUMMARY OF DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

What is the Dividend Reinvestment and Cash Purchase Plan?

The Dividend Reinvestment and Cash Purchase Plan (the “Plan”) offers stockholders of the Fund, a prompt and simple way to reinvest their dividends and capital gains distributions in shares of the Fund. The Fund will distribute to stockholders, at least annually, substantially all of its net income and expects to distribute annually its net realized capital gains. Computershare Trust Company, N.A. (the “Plan Administrator”), acts as Plan Administrator for stockholders in administering the Plan. The Plan also allows you to make optional cash investments in Fund shares through the Plan Administrator.

Who Can Participate in the Plan?

If you own shares in your own name, you can elect to participate directly in the Plan. If you own shares that are held in the name of a brokerage firm, bank, or other nominee, you should contact your nominee to arrange for them to participate on your behalf.

What Does the Plan Offer?

The Plan has two components; reinvestment of dividends and capital gains distributions, and a voluntary cash purchase feature.

Reinvestment of dividends and capital gains distributions

If you choose to participate in the Plan, your dividends and capital gains distributions will be promptly invested for you, automatically increasing your holdings in the Fund. If the Fund declares a dividend or capital gains distribution payable in cash, you will automatically receive shares purchased by the Plan Administrator on the open market. You will be charged a per share fee (currently \$0.05) incurred with respect to the Plan Administrator’s open market purchases. If a distribution is declared which is payable in shares or cash at the option of the stockholder and if on the valuation date (generally the payable date) the market price of shares is equal to or exceeds their net asset value, the Fund will issue new shares to you at the greater of the following: (a) net asset value per share or (b) 95% of the market price per share. If the market price per share on the valuation date is less than the net asset value per share, the Fund will issue new shares to you at the market price per share on the valuation date.

All reinvestments are in full and fractional shares, carried to six decimal places. In the case of foreign (non-U.S.) stockholders, reinvestment will be made net of applicable withholding tax.

The Plan will not operate if a distribution is declared in shares only, subject to an election by the stockholders to receive cash.

SUMMARY OF DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN *(continued)*

Voluntary cash purchase option

Plan participants have the option of making investments in Fund shares through the Plan Administrator. You may invest any amount from \$100 to \$3,000 semi-annually. The Plan Administrator will purchase shares for you on the New York Stock Exchange or otherwise on the open market on or about February 15 and August 15. If you hold shares in your own name, you should deal directly with the Plan Administrator. Checks in U.S. dollars and drawn in U.S. banks should be made payable to "Computershare". The Plan Administrator will not accept cash, traveler's checks, money orders, or third party checks. The Plan Administrator will wait up to three business days after receipt of a check to ensure it receives good funds and will then seek to purchase shares for optional cash investments on the next applicable investment date. We suggest you send your check, along with a completed transaction form which is attached to each statement you receive, to the following address to be received at least three business days before the investment date:

Computershare, c/o The Taiwan Fund, Inc. at P.O. Box 43006, Providence, RI 02940-3078. The Plan Administrator will return any cash payments received more than thirty-five days prior to February 15 or August 15, and you will not receive interest on uninvested cash payments. If you own shares that are held in the name of a brokerage firm, bank, or other nominee, you should contact your nominee to arrange for them to participate in the cash purchase option on your behalf. If your check is returned unpaid for any reason, the Plan Administrator will consider the request for investment of such funds null and void, and will immediately remove these shares from your account. The Plan Administrator will be entitled to sell shares to satisfy any uncollected amount plus any applicable fees. If the net proceeds of the sale are insufficient to satisfy the balance of any uncollected amounts, the Plan Administrator will be entitled to sell such additional shares from your account as may be necessary to satisfy the uncollected balance.

Is There a Cost to Participate?

For purchases from the reinvestment of dividends and capital gains distributions, you will also be charged a per share fee (currently \$0.05) incurred with respect to the Plan Administrator's open market purchases in connection with the reinvestment of dividends and capital gains distributions. The Plan Administrator's service fees for handling capital gains distributions or income dividends will be paid by the Fund. For purchases from voluntary cash payments, participants are charged a service fee (currently \$0.75 per investment) and a per share fee (currently \$0.05) for each voluntary cash investment. Per share fees include any brokerage commissions the Plan Administrator is required to pay. Per share fees and service fees, if any, will be deducted from amounts to be invested.

What Are the Tax Implications for Participants?

You will receive tax information annually for your personal records and to help you prepare your federal income tax return.

The automatic reinvestment of dividends and capital gains distributions does not relieve you of any income tax which maybe payable on dividends or distributions. For further information as to the tax consequences of participating in the Plan, you should consult with your tax advisors.

SUMMARY OF DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN *(concluded)*

If the Fund issues shares upon reinvestment of a dividend or capital gains distribution, for U.S. federal income tax purposes, the amount reportable in respect of the reinvested amount of the dividend or distribution will be the fair market value of the shares received as of the payment date, which will be reportable as ordinary dividend income and/or long term capital gains. The shares will have a tax basis equal to such fair market value, and the holding period for the shares will begin on the day after the payment date. State, local and foreign taxes may also be applicable.

Once Enrolled in the Plan, May I Withdraw From It?

You may withdraw from the Plan without penalty at any time by calling the Plan Administrator at 1-800-426-5523, by accessing your Plan account at the Plan Administrator's web site, <http://www.computershare.com/investor> or by written notice to the Plan Administrator. If you withdraw, you will receive stock certificates issued in your name for all full shares, and a check for any fractional share (valued at the market value of the shares at the time of withdrawal or termination) less any applicable fees.

You may also request that the Plan Administrator sell your shares and send you the proceeds, less a service fee of \$2.50 and a per share fee of \$0.15 for any request for withdrawal or termination. The per share fee includes any brokerage commissions the Plan Administrator is required to pay.

Alternatively, you may also request that the Plan Administrator move your whole shares to the Direct Registration System⁽¹⁾, which would allow you to maintain ownership of those whole shares in book entry form on the records of the Fund.

All sale requests having an anticipated market value of \$100,000.00 or more are required to be submitted in written form.

In addition, all sale requests within thirty (30) days of an address change are required to be submitted in written form.

Whom Should I Contact for Additional Information?

If you hold shares in your own name, please address all notices, correspondence, questions, or other communications regarding the Plan to: Computershare, c/o The Taiwan Fund, Inc. at P.O. Box 43006, Providence, RI 02940-3078, by telephone at 1-800-426-5523 or through the Internet at <http://www.computershare.com/investor>. If your shares are not held in your name, you should contact your brokerage firm, bank, or other nominee for more information and to arrange for them to participate in the Plan on your behalf.

Either the Fund or the Plan Administrator may amend or terminate the Plan. Except in the case of amendments necessary or appropriate to comply with applicable law, rules or policies or a regulatory authority, participants will be mailed written notice at least 30 days before the effective date of any amendment. In the case of termination, participants will be mailed written notice at least 30 days before the record date of any dividend or capital gains distribution by the Fund.

⁽¹⁾ The Fund uses the Direct Registration System (DRS) as its means of recording stock ownership. DRS is stock ownership without paper stock certificates.

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DIRECTORS AND OFFICERS

William C. Kirby, Chairman of the Board and Share Repurchase Program Committee, Member, Audit Committee, Nominating Committee, Valuation Committee and Independent Director

Anthony S. Clark, Chairman, Valuation Committee, Member, Audit Committee, Nominating Committee, Share Repurchase Program Committee, and Independent Director

Thomas G. Kamp, Chairman, Audit Committee, Member, Share Repurchase Program Committee, Nominating Committee, Valuation Committee and Independent Director

Shelley E. Rigger, Chair, Nominating Committee, Member, Audit Committee, Share Repurchase Program Committee, Valuation Committee and Independent Director

Warren J. Olsen, Member, Audit Committee, Nominating Committee, Share Repurchase Program Committee, Valuation Committee and Independent Director

Yuichi Nomoto, President

Maria Premole, Vice President

Patrick J. Keniston, Chief Compliance Officer

Brian F. Link, Secretary

Monique Labbe, Treasurer

ADMINISTRATOR AND ACCOUNTING AGENT

State Street Bank and Trust Company
Boston, MA

CUSTODIAN

State Street Bank and Trust Company
Boston, MA

TRANSFER AGENT, DIVIDEND PAYING AGENT AND REGISTRAR

Computershare Trust Company, N.A.
Canton, MA

LEGAL COUNSEL

Clifford Chance US LLP
New York, NY

Lee and Li
Taipei, Taiwan

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Tait, Weller & Baker LLP
Philadelphia, PA

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that from time to time the Fund may purchase shares of its common stock in the open market at prevailing market prices.