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(Translation -Brief Version)

Corporate Governance Roadmap (2018-2020)

I. Foreword

With respect to the promotion of corporate governance in Taiwan, the Financial Supervisory Commission (“Commission”) has legislated many corporate governance concepts for the past decades and published the "2013 Corporate Governance Roadmap in Taiwan" based on the trends and developments of international corporate governance and with reference to the implementation status of corporate governance of Taiwan companies. The Commission has also supervised relevant agencies to complete various measures, including the announcement of the first Corporate Governance Evaluation in April 2015, releasing the compilation of the "TWSE Corporate Governance 100 Index" and "TPEX Corporate Governance Index" in June 2015, requiring certain listed companies to prepare and disclose their corporate social responsibility reports ("CSR reports") from 2015, and promulgating the Taiwan "Stewardship Principles for Institutional Investors" at the end of June 2016. In 2017 all listed companies were requested to appoint independent directors, expand mandatory audit-committee requirements gradually, disclose all duties required by law and strengthen the participation of independent directors in the board meetings, and encourage listed companies to establish a corporate governance professional and appoint senior officers to supervise them. Furthermore, the Taiwan Stock Exchange Corporation ("TWSE") compiled and launched the "FTSE4Good TIP Taiwan ESG Index" in December 2017 to encourage TWSE listed companies to better understand the merits of corporate sustainable development. In addition, starting from 2018, the Commission requires all listed companies to adopt e-voting as one of the methods for shareholders to exercise their voting rights. Thus, there is abundant progress in various aspects, such as, urging listed companies to protect the rights and interests of investors, enhancing the functions of the board of directors and carrying out corporate social responsibility ("CSR").

According to the Corporate Governance (CG) Watch survey based on 11 Asian markets published by the Asian Corporate Governance Association and CLSA in September 2016, Taiwan leapt into fourth place from sixth place in 2014, and is preceded by Singapore, Hong Kong and Japan. Taiwan's total score rose from 56 to 60, thereby making more progress in score than any other country within the survey. Moreover, Taiwan has also improved in five categories, including corporate governance rules and practices, enforcement, political and regulatory environment, IGAAP (or “accounting and auditing”), and corporate governance culture.

Although Taiwan has made progress in corporate governance, more measures are still being undertaken. To cope with the rapid changes in the capital markets and to facilitate the pace of corporate governance in Taiwan in line with international trends, the Commission is dedicated to continuous refinement of this version of the Corporate Governance Roadmap for the next three years, as the guidance for the promotion of corporate governance policies. It is expected that this roadmap can be conducive for the companies and can encourage them to value corporate governance voluntarily. Furthermore, it can also encourage external shareholders, such as institutional investors, to actively participate in corporate governance to enhance the international competitiveness of the Taiwan capital markets.

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II. Challenges for the Implementation of Corporate Governance in Taiwan and International Trends in Recent Years

The Organization for Economic Co-operation and Development ("OECD") updated G20/OECD Principles of Corporate Governance (the Principles) in September 2015. The Principles focus on strengthening the role of institutional investors, shareholder rights, board functions, and more. With respect to "the role of institutional investors," the Principles highlight that this group can drive listed companies to value corporate governance and that the institutional investors can achieve it by means such as disclosing their investment policies and actual voting records. With respect to "shareholder rights", the Principles highlight the use of information technology at shareholders meetings, and the approval procedures for and disclosure of executive remuneration. In respect to "the board functions", they emphasize the importance of the evaluation of the board performance, objective independence and supervisory functions of the board of directors plus the acquisition of accurate and adequate information by board members.

It is further mentioned in CG Watch 2016 that, with respect to corporate governance culture in Taiwan, the majority of corporate governance reforms seen to date have been brought about by top-down regulatory action, and it is expected that Taiwan can lead domestic institutional investors to enhance corporate governance standards of listed companies in the future. It also points out that Taiwan can continue to exert effort to strength board committees and remuneration information, increase English information disclosure, promote voting by poll, and more.

In consideration of the aforementioned international trends and feedback on corporate governance of Taiwan companies from domestic experts and scholars, it is analyzed that the implementation of corporate governance in Taiwan faces the following challenges:

1. With respect to corporate governance culture: It is not prevalent, and most of the external viewpoints still hold that corporate governance in Taiwan is promoted with a top-down approach, instead of being internalized into company culture. Generally speaking, it is necessary for the companies, media and investors to jointly establish good corporate governance culture in Taiwan.
2. With respect to the operations and functions of the board of directors: As a listed company has a larger business scale and number of investors, it should have an appropriate mechanism to strengthen the supervisory function of its board of directors and should assist its board of directors to perform the functions. In addition, to cause the reasonable remuneration of directors, supervisors and managers, further measures, including reinforcement of the disclosure of remuneration information and the connection between remuneration and performance evaluation, need to be adopted.
3. With respect to shareholders' participation: Starting from 2018, listed companies have fully adopted e-voting systems; however, some companies have not adopted the nominee system in respect to the directors/supervisors election, thereby resulting in certain shareholders' abstention or failure to vote. Furthermore, progress still needs to be made in terms of the number of signatories to the Stewardship Principles for Institutional Investors, so as to reinforce the supervision power of institutional investors and to facilitate shareholder activism.

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4. With respect to information disclosure: Currently, the market capitalization of foreign investors' holdings in the Taiwan securities market has reached a considerable percentage; however, the provision of English information by listed companies is not yet prevalent. The content and quality of non-financial information can be further improved so that it will not become a mere formality. In addition, most listed companies do not facilitate to publish their annual financial reports within 60 days after the end of the fiscal year, which can still be improved compared to international best practices.
5. With respect to strengthening the regulatory enforcement: The current Securities and Exchange Act needs to strengthen sanctions for violation of the "Regulations Governing the Exercise of Powers by Audit Committees" and "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee." In addition, further amendments to relevant regulations and rules of the TWSE and Taipei Exchange ("TPEX") in respect to the regulatory compliance of corporate governance by listed companies and the sanction mechanism for the violation need to be made.

III. Five Action Plans in Corporate Governance Roadmap

1. Vision

The Roadmap intends to encourage active participation of companies and investors in corporate governance, through deepening corporate governance culture, enhancing board functions, strengthening information transparency, encouraging participation of external shareholders, and augmenting regulatory enforcement. Promoting the corporate governance promotion where it is brought about by top-down government action can be transformed into an action that is voluntarily emphasized by companies. Meanwhile, it also aims to have corporate governance culture rooted, create an investment-friendly environment and improve international competitiveness.

2. Action Plans

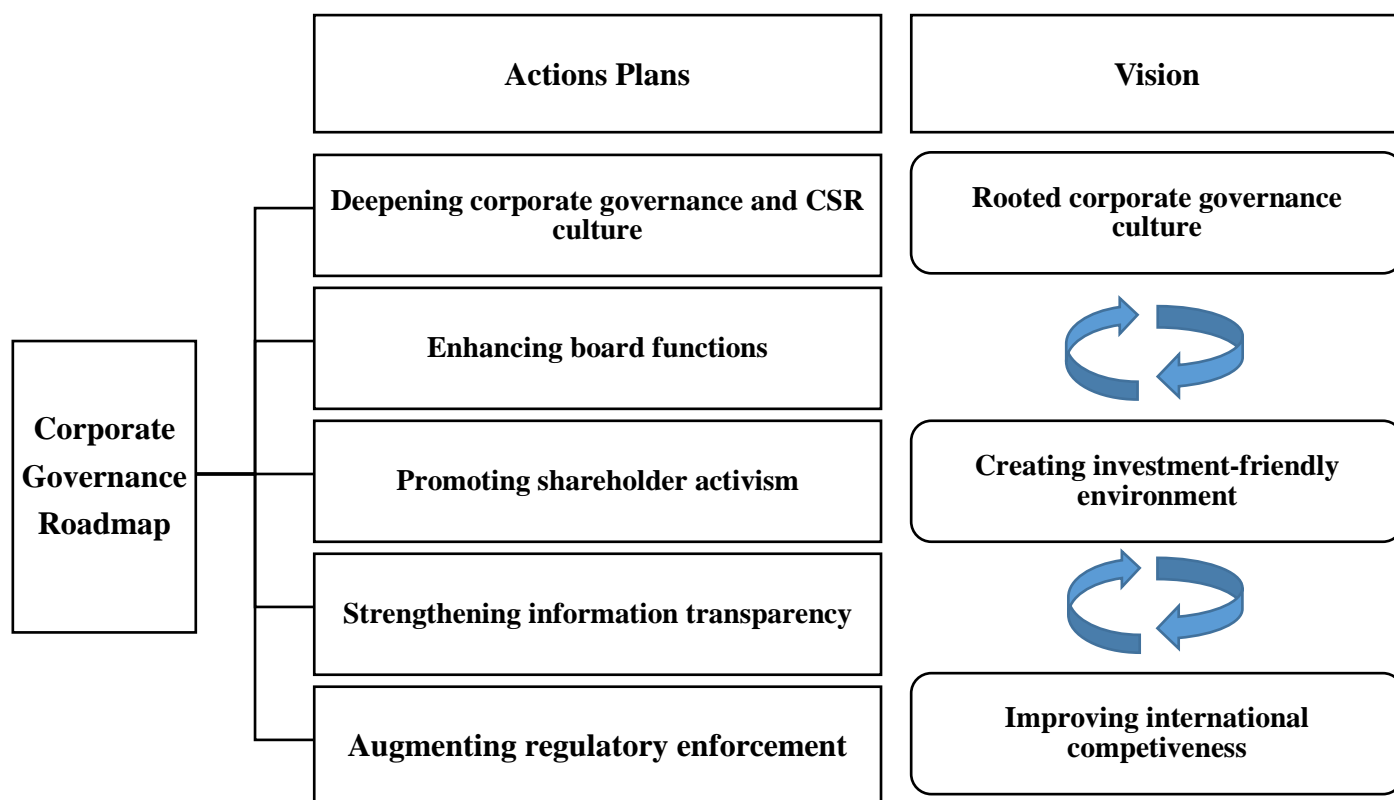
To achieve the vision and lead corporate governance in Taiwan to be aligned with the international standards, five action plans are proposed as follows:

- **Deepening corporate governance and CSR culture:** To further incorporate these two elements into Taiwan markets through measures, such as introducing qualitative corporate governance evaluation indicators and differentiation in scoring, developing and promoting the CG 100 index and Taiwan ESG index, and promoting corporate governance concepts.
- **Enhancing board functions:** To strengthen the supervisory function of the board of directors and enhance board functions through expanding the establishment of audit committees, promoting the establishment of corporate governance professionals and introducing supplementary measures for circumstances such as wherein the same person serves as chairman and president (or the equivalent officer).
- **Promoting shareholder activism:** To facilitate external shareholders' participation in corporate governance by measures, such as increasing the attendance of institutional investors at shareholders meetings, promoting the adoption of the candidate nomination

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system for the election of directors and supervisors.

- **Strengthening information transparency:** To facilitate the transparency of general information disclosure in Taiwan securities markets by increasing the disclosure of English information by listed companies, enhancing information disclosure timeliness, comparability and content requirements and improving the disclosure quality of non-financial information.
- **Augmenting regulatory enforcement:** To strengthen the enforcement of laws and regulations by amending the Securities and Exchange Act to introduce relevant penalty provisions, amending TWSE and TPEX relevant corporate governance rules and regulations as well as finding diverse ways to enforce them in the case of violations, so as to be in line with the international trends and practical needs in Taiwan.



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For the purpose of promoting the aforementioned action plans, the Commission has established the following 13 strategic objectives and plans to achieve them through the execution of 24 specific actions.

Action Plans	Deepening corporate governance and CSR culture	Enhancing board functions	Promoting shareholder activism	Strengthening information transparency	Augmenting regulatory enforcement
Strategic objectives	1. Enhancing the effectiveness of the corporate governance evaluation system 2. Developing and promoting the CG 100 index and Taiwan ESG index related products 3. Deepening CG and CSR and CSR culture	4. Strengthening the supervisory function of the board of directors 5. Promoting reasonable remuneration for directors and supervisors 6. Increasing support for directors and enhancing board functions 7. Strengthening the independence of internal auditors	8. Facilitating shareholders to exercise shareholder rights and urging companies to implement corporate governance 9. Strengthening institutional investors' Stewardship responsibilities	10. Promoting English information disclosure and enhancing investor relationships 11. Enhancing information disclosure timeliness, comparability and content 12. Improving the quality of non-financial information	13. Strengthening the enforcement of corporate governance related laws and regulations

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Key actions to be promoted for each year from 2018 to 2020

Strategic Objective	Specific Actions	Action Plan 1: Deepening Corporate Governance and CSR Culture		
		2018	2019	2020
1. Enhancing the effectiveness of the corporate governance evaluation system	(1) Gradually introducing a more defined mix of qualitative corporate governance evaluation indicators and releasing evaluation results taking into account the differentiation in industries	<p>1. Gradually introducing qualitative corporate governance evaluation indicators and facilitating performance by using a refined scoring system.</p> <p>2. Introducing the evaluation through questionnaire design, physical visit or other methods (including the diverse subjects of CPAs, internal auditor(s), corporate governance professional(s) and studying the feasibility for the release of evaluation results on an industry-by-industry basis.</p>	<p>3. Implementing qualitative evaluation indicators based on the result and releasing evaluation results on an industry-by-industry basis or appropriate category.</p>	
2. Developing and promoting CG 100 index and Taiwan ESG index related products	(2) Inducing the establishment of ESG index for TPEX-listed companies and promoting the use of CG 100 index and Taiwan ESG index related	<p>4. Planning to constantly review, within a 3-year period, constituent stocks of the CG 100 index and promoting the use of relevant indices.</p>	<p>5. Studying the feasibility for the preparation of the ESG index for TPEX-listed companies.</p> <p>6. Constantly reviewing constituent stocks of the ESG index for listed companies and promote the use of relevant indices.</p>	<p>7. Announcing the ESG index for TPEX-listed companies, based on the study results in 2019, and promoting the use of relevant indices.</p>

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Strategic Objective	Specific Actions	Action Plan 1: Deepening Corporate Governance and CSR Culture		
		2018	2019	2020
	products			
3. Deepening CG and CSR culture	(3) Promoting the importance of corporate governance and CSR	8. Organizing training materials and case studies (including domestic and foreign cases) through critiques by the TWSE, TPEX and Securities and Futures Investors Protection Center ("SFIPC") (including the relevant laws, regulations and self-disciplinary regulations, corporate governance and more).	9. Having the TWSE communicate with private sectors to arrange relevant promotion, courses, lecturing sessions, seminars, or other activities, based on the aforementioned materials, to the media and investors.	10. Continuing to organize relevant yearly activities, and having the TWSE plan to explain through case study, combining applications, clips and other features.

Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
4. Strengthening the supervisory function of the board of directors	(4) Considering expanding the establishment of audit committee	11. According to the Rules Governing Review of Securities TWSE Listings (Procedures for the Review of Securities for TPEX Listing) of the TWSE and TPEX, starting from January 2018, each of the companies applying for an initial public offering and those applying for an initial TPEX trading with a capital of NTD 600 million or above is required to set up an audit committee. 12. In the second half of 2018, the Commission shall		

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
		<p>promulgate an order, requiring that each of the listed companies shall establish an audit committee to replace supervisors upon expiry of the term of the current directors and supervisors, provided that if the office term thereof will expire in 2019, this requirement may apply upon expiry of the term of elected directors and supervisors (i.e. all listed companies shall complete the establishment of the audit committees in 2022).</p>		
	<p>(5) Promoting the Emerging Stock Companies to appoint independent directors</p>	<p>13. The TPEX shall amend the "Rules Governing the Review of Emerging Stocks for Trading on the TPEX," requiring that starting from 2019, companies applying to be registered as Emerging Stock Companies shall establish independent directors.</p> <p>14. In the second half of 2018, the Commission shall promulgate an order, requiring that all Emerging Stock Companies shall establish independent</p>		

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
		<p>directors upon expiry of the term of the current directors and supervisors, provided that if the office term thereof expires in 2019, this requirement may apply upon expiry of the term of elected directors and supervisors (i.e. all Emerging Stock Companies shall complete the establishment of independent directors in 2022).</p>		
	<p>(6) Introducing supplementary measures for circumstances where the chairman and general manager and equivalent officer (or the most senior manager) are identical, and are spouses or first-degree relatives</p>	<p>15. Amending the Corporate Governance Best Practice Principles to encourage the board of directors to add independent director seats and to not have a majority of the directors be employees or managers if the chairman and general manager and equivalent officer (or the most senior manager) is identical, are spouses or first-degree relatives.</p> <p>16. Submitting the proposal for amendments to the corporate governance evaluation indicators to have the board of directors to add independent director seats and to not have</p>	<p>17. Amending the "Regulations Governing Information to be Published in Annual Reports of Public Companies," requiring that relevant information in the annual report, such as disclosing the necessity of the arrangement, if the chairman and general manager and equivalent officer (or the most senior manager) of listed companies is identical, are spouses or first-degree relatives.</p>	<p>18. Having the TWSE and TPEX to conduct a study to add relevant regulations and rules to require a listed company to add independent director seats, and to not have a majority of the directors be employees or managers, if the chairman and general manager and equivalent officer (or the most senior manager) is identical, are spouses or first-degree .</p>

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
		a majority of the directors be employees or managers if the chairman and general manager and equivalent officer (or the most senior manager) is identical, are spouses or first-degree relatives.		
5. Promoting the Reasonable Remunerations for Directors and Supervisors	(7) Strengthening the independence of the remuneration committee of listed companies and Emerging Stock Companies	19. Amending the Corporate Governance Best Practice Principles, encouraging that a majority members of the remuneration committee of the listed companies are independent directors.	20. Having the TWSE and TPEx to conduct a study to add relevant regulations and rules to require that a majority members of the remuneration committee of the listed companies be independent directors.	21. Proposing to add regulations under the Regulations Governing the Exercise of Powers by the Remuneration Committee, requiring that a majority members of the remuneration committee of the listed companies and emerging stock companies which have established independent directors to be independent directors.
	(8) Facilitating the information transparency and reasonable remuneration of individual directors	22. Studying the feasibility to gradually expand the disclosure of the remuneration information of individual directors, supervisors, general managers and vice general managers of listed companies.	23. Based on the study result in 2018, amending the "Regulations Governing Information to be Published in Annual Reports of Public Companies" to require listed	

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
	and supervisors		companies to disclose the remuneration information of individual directors, supervisors, general managers and vice general managers.	
	(9) Requiring the board of directors to conduct self-evaluation (or peer-evaluation) and combining the result of the performance evaluation with the review mechanism for directors' remuneration	<p>24. Amending the Corporate Governance Best Practice Principles, encouraging companies to conduct board's self-evaluation (or peer-evaluation), and submit the evaluation result to the board for approval and for use as the reference for the performance, remuneration and reelection of each individual directors.</p> <p>25. Amending the Sample Template of "Self-Evaluation or Peer-Evaluation of the Board of OO Co., Ltd.", so as to incorporate the latest development of the practices for compliance by the companies.</p> <p>26. Having the TWSE and TPEX conduct random checks, when conducting internal control review on listed companies of</p>	<p>27. Incorporating enhancing measures that link the performance of directors, supervisors and managers with their remuneration (such as, the criteria of performance evaluation for director and supervisors shall be approved by the board, and the remuneration of directors and supervisors shall be determined in accordance with the performance evaluation results) into the evaluation of corporate governance.</p> <p>28. Having the TWSE and TPEX promulgate the</p>	<p>29. Based on the result of proposals in 2019, amending the corporate governance evaluation indicators.</p> <p>30. Planning to set forth provisions under the "Regulations Governing Information to be Published in Annual Reports of Public Companies", requiring the companies to disclose relevant information of self-evaluation (or peer-evaluation) of the board conducted by companies for shareholders' references.</p>

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
		which both of their after-tax profit and loss is decreased but remuneration is increased to a certain ratio, to ascertain whether such companies have duly executed their directors remuneration policy.	"Self-Evaluation or Peer-Evaluation Guidelines of the Board of Listed Companies" and set out in relevant regulations that as of 2020, companies are required to conduct board's self-evaluation in accordance with the said guidelines, and enhance external promotions.	
6. Increasing Support for Directors and Enhancing the Board Functions	(10) Promoting the establishment of corporate governance professional	31. Promulgating regulations by the relevant competent Bureaus of the Commission in charge of the financial industry, requiring the financial holding companies, banks, bills companies, insurance companies, listed integrated securities firms and integrated securities firms which are subsidiaries of financial holding companies to establish at least one corporate governance professional, and having the TWSE and TPEX (or promulgating regulations by the	34. Having the TWSE and TPEX promote and advocate the functions of corporate governance professionals.	35. Promulgating regulations by the relevant competent Bureaus of the Commission in charge of the financial industry, requiring the public integrated securities firms and listed futures commission merchants to establish at least one corporate governance professional, and having the TWSE and TPEX (or

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
		<p>Commission under the amendments to the Company Act), requiring each of the listed non-financial companies whose paid-in capital is NTD 10 billion or more to establish at least one corporate governance professional. The aforesaid regulations shall be enforced in 2019.</p> <p>32. Having the TWSE cooperate with private sectors to plan training courses for corporate governance professionals.</p> <p>33. Having the TWSE and TPEX require in their relevant regulations that listed companies shall establish the standardized operating procedures for handling the requests of any board member (including exclusive personnel and the handling deadline).</p>		<p>promulgating regulations by the Commission under the amendments to the Company Act), requiring each of the listed non-financial companies whose paid-in capital is not less than NTD 2 billion but less than NTD 10 billion to establish at least one corporate governance professional. The aforesaid regulations shall be enforced in 2021.</p> <p>36. Having the TWSE and TPEX cooperate with private sectors to hold activities for the exchange of experiences among corporate governance professionals and continuously promote functions of corporate governance professionals.</p>

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Strategic Objective	Concrete Measurement	Action Plan 2: Enhancing Board Functions		
		2018	2019	2020
	(11) Rationalizing the accountability and responsibilities of directors and supervisors by introducing directors and supervisors liability insurance	37. Pursuant to TWSE Rules Governing Review of Securities Listings and TPEX Procedures for the Review of Securities for TPEX Listing, starting from January 2018, all listed companies applying for initial public offering shall procure director and supervisor liability insurance.	38. Having relevant rules and regulations of TWSE and TPEX require all listed companies shall procure director and supervisor liability insurance.	
7. Strengthening the Independence of Internal Auditors	(12) Setting out assessment methods for the recruitment, discharge, performance review and remuneration of internal auditor(s)	39. Amending the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, encouraging that the recruitment, evaluation and remuneration of internal auditors of listed companies be submitted to the board for approval, or be signed off by the chief auditor and then reported to the Chairman for approval.	40. Providing suggestions to revise corporate governance evaluation indicators to include contents associated with the Corporate Governance Best Practice Principles as evaluation items.	

Strategic Objective	Concrete Measurement	Action Plan 3: Promoting shareholder activism		
		2018	2019	2020
8. Facilitating shareholders to exercise	(13) Promoting the candidate nomination system for		41. Having the Commission issue an order in 2019, the year after the promulgation of	

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Strategic Objective	Concrete Measurement	Action Plan 3: Promoting shareholder activism		
		2018	2019	2020
shareholder rights and urging companies to implement corporate governance	the election of directors and supervisors along with the adoption of e-voting systems		the amendments to the Company Act (for the time being, it is estimated that the amendments to the Company Act will be promulgated in 2018), requiring all listed companies to adopt a nomination system for the election of directors and supervisors from 2021, for which a one-year grace period for amendment of Articles of Incorporation will be granted.	
	(14) Consolidating information needed by shareholders and channels for shareholders to exercise their rights	<p>42. Planning to improve relevant disclosure measures of Market Observation Post System ("MOPS") to meet investors' needs.</p> <p>43. Having the ePASSBOOK APP of the Taiwan Depository and Clearing Corporation ("TDCC") continue to provide market and stock information that shareholders need, and combine the ePASSBOOK APP with the "TDCC Stockvote" to provide</p>	<p>45. Based on the study result, adjusting relevant disclosures in MOPS and conducting promotion activities to investors.</p> <p>46. Having the TDCC propose a plan to use digital technology to transmit relevant documents in connection with</p>	

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Strategic Objective	Concrete Measurement	Action Plan 3: Promoting shareholder activism		
		2018	2019	2020
		<p>channels for shareholders to exercise their rights.</p> <p>44. Having the TDCC introduce Chinese and English versions of the integrated platform for investors relations in the "TDCC Stockvote", so as to facilitate the communication between institutional investors and companies, and to provide institutional investors with convenient channels to look up investor services and corporate governance information of issuers and understand the business operation of e-voting in Taiwan, so as to expand the international visibility.</p>	<p>the convening of the shareholders' meeting and other notifications.</p> <p>47. Having the TWSE and TPEX amend relevant rules and regulations, requiring listed companies to appoint contact window(s) to handle investors' relationship, and import relevant information into the system appointed by TDCC, providing integrated information on TDCC's platforms.</p>	
9. Strengthening institutional investors' Stewardship responsibilities	(15) Planning to increase the signings by institutional investors of the "Stewardship Principles for Institutional Investors" and improve	48. Having the competent Bureau of the Commission in charge of the financial industry communicate with securities investment trust companies, securities firms, insurance companies and banks to promote their signings of the Stewardship Principles for Institutional Investors. It is aimed that the signing	51. Based on the improvement suggestions, proposing relevant implementation measures and promoting and encouraging institutional investors to enhance their disclosure quality, and releasing signatories who have better	54. Based on the study result in 2019, conducting matters with regard to amendments to the Stewardship Principles for Institutional Investors.

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Strategic Objective	Concrete Measurement	Action Plan 3: Promoting shareholder activism		
		2018	2019	2020
	the information disclosure quality.	<p>by securities investment trust companies reaches 70% or more in 2018, and the signing by other businesses (securities firms, insurance companies and banking businesses) reaches 50% or more.</p> <p>49. Having the TWSE and TPEX collect and analyze the contents disclosed by the signatories of Stewardship Principles for Institutional Investors, and propose their analyses and feedback improvement.</p> <p>50. Having the TWSE and TPEX continue to track good examples of stewardship report of foreign institutional investors, and timely release these reports on the website of the Corporate Governance Center or the website of TPEX.</p>	<p>practices and compliances.</p> <p>52. Having the TWSE propose amendments to the Stewardship Principles for Institutional Investors, to be in line with international trends and the domestic operation status.</p> <p>53. Having the TWSE and TPEX discuss with private sectors, governmental funds, institutional investors, and others to co-host promotional activities to encourage signatories to share their experiences in the enforcement of the Principles and their information disclosure practices.</p>	
	(16) Increasing the shareholders' meeting attendance	55. Having the Commission (the relevant competent Bureau in charge of the financial industry) require that the	56. Having the Commission (the relevant competent Bureau in charge of the	57. Having the Commission (the relevant competent Bureau in charge of the

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Strategic Objective	Concrete Measurement	Action Plan 3: Promoting shareholder activism		
		2018	2019	2020
	rate of institutional investors including banks and insurance companies	attendance rate of banks and insurance companies attending shareholders' meetings of listed companies (taking the sum of the number of companies where the meetings are attended in person and by e-voting, and divided by the number of listed companies invested) shall reach 30% and 40% respectively.	financial industry) require that the attendance rate of banks and insurance companies attending shareholders' meetings of listed companies (taking the sum of the number of companies where the meetings are attended in person and by e-voting, and divided by the number of listed companies invested) shall reach 50%.	financial industry) require that the attendance rate of banks and insurance companies attending shareholders' meetings of listed companies (taking the sum of the number of companies where the meetings are attended in person and by e-voting, and divided by the number of listed companies invested) shall reach 70%.

Strategic Objective	Concrete Measurement	Action Plan 4: Strengthening Information Transparency		
		2018	2019	2020
10. Promoting English information disclosure of listed companies and enhancing investors' relationship	(17) Requiring listed companies with high foreign investors' holding rate or paid-in capital over a certain amount to provide the English	58. Having the TWSE and TPEX set out in the Rules Governing Information Filing that all listed companies whose foreign investor shareholding reaches 30% or more or where the paid-in capital reaches NTD 10 billion or more (for those with flexible par-value or no par-value, other criteria, such as market value,		

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Strategic Objective	Concrete Measurement	Action Plan 4: Strengthening Information Transparency		
		2018	2019	2020
	versions of "AGM handbooks", "Annual Reports" and "Annual Financial Reports", etc.	will be further set out by TWSE and TPEX) shall provide English versions of "AGM handbooks", "Annual Reports" and "Annual Financial Reports" (with CPA audit report, financial statements, notes and annexes, and others) starting from 2019.		
	(18) Encouraging TPEX listed companies to hold periodical investor conferences	59. Holding "seminars for the practice of investor conference" and continuously encouraging TPEX listed companies to hold investor conferences.	60. Depending on the implementation status of investor conferences of listed companies, planning to require all TPEX listed companies to hold periodical investor conferences and relevant corresponding actions.	61. Based on the study result in 2019, conducting relevant matters that TPEX listed companies shall hold periodical investor conferences.
11. Enhancing information disclosure timeliness, comparability and content	(19) Encouraging announcement of information such as annual financial reports within 60 days after the end of the fiscal year	62. Setting out in the Corporate Governance Best Practice Principles, that companies are advised to announce their annual financial reports within 60 days after the end of the fiscal year, and announce the first, second and third quarter financial reports and monthly management report before the required deadline.		
	(20)	63. Starting from the first	64. Starting from	

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Strategic Objective	Concrete Measurement	Action Plan 4: Strengthening Information Transparency		
		2018	2019	2020
	Enhancing the comparability and transparency of XBRL format financial reports	quarter, the XBRL Financial Reporting Taxonomy will be updated to the latest 2017 version and adopt XBRL Formula. The TWSE will hold training and promotion courses for the update of XBRL Taxonomy and iXBRL.	the first quarter, all public companies shall use iXBRL format to file their financial reports.	
	(21) Requiring all listed companies to disclose "the number of non-supervisory employees, the average annual employee welfare expenses and the differences from the previous year", so as to strengthen their social responsibilities	<p>65. Encouraging companies to voluntarily disclose the "salary adjustment of non-supervisory employees in comparison to the preceding year" on MOPS as well as the salary adjustment of directors and managers for comparison purpose.</p> <p>66. Amending the Corporate Governance Best Practice Principles to encourage listed companies to disclose information such as "the number of non-supervisory employees, the average annual employee welfare expenses and the differences from the previous year".</p>	67. Proposing amendment suggestions for the corporate governance evaluation indicators and taking the disclosure of "the number of non-supervisory employees, the average annual employee welfare expenses and the differences from the previous year" to be one of the evaluation items.	68. Providing relevant regulations to disclose "the number of non-supervisory employees, the average annual employee welfare expenses and the differences from the previous year" in annual reports.
12. Improving the quality of non-financial information	(22) Along with the issuance of GRI Standards, requiring listed companies to compile the mandatory CSR reports in	69. Scheduling a three-year review, where the TWSE and TPEX (or cooperate with professional private institutions) shall annually review CSR reports of listed companies on a batch basis, and provide relevant measures to guide companies to	70. Requiring companies who are mandated to compile CSR reports to issue 2018 CSR reports in accordance with GRI Standards.	72. Planning to expand the scope of third-party verification of the CSR reports (such as financial sectors, chemical industry or listed

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Strategic Objective	Concrete Measurement	Action Plan 4: Strengthening Information Transparency		
		2018	2019	2020
	accordance with GRI Standards; conducting annual review on CSR reports on a batch basis to propose improvement measures and promote the acquisition of third party verification; proposing to require further disclosure in annual reports that non-financial information within CSR reports of which investors are more concerned.	improve.	71. Selecting non-financial information that investors are more concerned about and studying the feasibility to require, by stages, the disclosure of such information in annual reports.	companies whose paid-in capital or market value reaching a certain amount). 73. Based on the study result in 2019, conducting relevant amendments to the "Regulations Governing Information to be published in Annual Reports of Public Companies".

Strategic Objective	Concrete Measurement	Action Plan 5: Augmenting regulatory enforcement		
		2018	2019	2020
13. Strengthening the enforcement of corporate governance related laws and	(23) Adding a legal basis for the penalty for violations of Paragraph 4, Article 14-4 of the Securities and Exchange Act	74. Proposing relevant draft amendments to the Securities and Exchange Act and relevant corresponding measures.	75. Planning to submit to the Executive Yuan for further submission to the Legislative Yuan for review of the	

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Strategic Objective	Concrete Measurement	Action Plan 5: Augmenting regulatory enforcement		
		2018	2019	2020
regulations	(Regulations Governing the Exercise of Powers by Audit Committees) and Paragraph 1, Article 14-6 of the same Act (Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee)		draft amendments to the Securities and Exchange Act, along with the tentative schedule of the Commission for law amendments.	
	(24) Including corporate governance requirements in relevant rules and regulations of TWSE and TPEX, as well as finding diverse ways to enforce them	76. Having the TWSE and TPEX add rules and corporate governance regulations along with the amendment of the Company Act and Corporate Governance Roadmap 2018, as well as finding diverse ways to enforce them, so as to continuously require listed companies to comply with relevant regulations of corporate governance.		

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II. Promotion Methods

1. The Commission, TWSE, TPEX and relevant non-profit organizations (such as the TDCC and SFIPC) will promote jointly. With the promotion policies established by the competent authority, force with TWSE, TPEX and non-profit organizations will be formed to promote jointly corporate governance.
2. There will be annual reviews on the implementation status of each action plan of the Roadmap, and amendments will be made on a rolling basis.

III. Conclusion

The Roadmap is expected to further deepen the corporate governance culture in Taiwan by establishing the direction and guidelines for the promotion of corporate governance for the next three years, allowing the preparation time to companies and guiding them to voluntarily value corporate governance and CSR. Through action plans such as enhancing board functions, strengthening information transparency and promoting shareholder activism, this will also assist companies to augment their competitiveness and create a more investment-friendly environment and encourage investors to actively participate in corporate governance, so as to enhance the international competitiveness of the Taiwan capital market.