臺灣公司治理
CORPORATE GOVERNANCE IN TAIWAN

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我國主管機關金融監督管理委員會於1998年起即開始向國內公開發行公司宣導公司治理之重要性，行政院於2003年成立「改革公司治理專案小組」，公布「強化公司治理政策綱領暨行動方案」，作為推動公司治理之依據。

歷年來在主管機關及臺灣證券交易所股份有限公司、財團法人中華民國證券櫃檯買賣中心、財團法人中華民國證券暨期貨市場發展基金會、中華公司治理協會等單位共同努力之下，陸續推動獨立董事及審計委員會的制度，制定符合國情之「上市上櫃公司治理實務守則」，引導國內企業強化公司治理，提昇國際競爭力。近年各項公司治理措施的推動與執行雖頗有成效，惟區域鄰近國家公司治理改革已快速進展，為加快我國改革的腳步，主管機關金融監督管理委員會於2013年發布「強化我國公司治理藍圖」，提出形塑公司治理文化、促進股東行動主義、提升董事會職能、揭露重要公司治理資訊及強化法制作業等五大計畫項目、13項具體措施，作為未來推動公司治理政策指引。臺灣證券交易所為整合國內與公司治理相關單位資源，統籌規劃辦理公司治理相關事宜，在主管機關指示下，於2013年成立「公司治理中心」，以進一步提升我國企業公司治理水準。

本基金會為加強對國內及國際間的公司治理推動宣導，自2001年12月起在主管機關指導下，以中英文對照方式介紹我國公司治理推動現況，相關內容除免費提供各界下載外，並同步出版。每年也依據我國公司治理制度之重要變革，修訂內容，本書撰寫希望能對有心瞭解臺灣公司治理發展之讀者，有所助益。

目錄

1.前言

公司治理（Corporate governance）泛指公司管理與監控的方法。1997年亞洲金融危機發生後，「強化公司治理機制」被認為是企業對抗危機的良方。1998 年經濟合作暨開發組織（OECD）部長級會議更明白揭示，亞洲企業無法提昇國際競爭力之關鍵因素之一，即是公司治理運作不上軌道。2001 年美國安隆案（Enron）後陸續引發的金融危機，促使美國針對公司治理問題採取積極作為，遂有沙賓法案（Sarbanes-Oxley Act）之公布。我國於 1998 年爆發一連串企業掏空舞弊案件，其後更因金融機構不良債權問題嚴重，金融風暴一觸即發，故主管機關於 1998 年起即開始向國內公開發行公司宣導公司治理之重要性，並在臺灣證券交易所股份有限公司（下稱證交所）、財團法人中華民國證券櫃檯買賣中心（下稱櫃買中心）、財團法人中華民國證券暨期貨市場發展基金會（下稱證基會）及中華公司治理協會等單位共同努力之下，陸續推動獨立董事及審計委員會的制度，及制定符合國情之「上市上櫃公司治理實務守則」，引導國內企業強化公司治理，提昇國際競爭力，（守則內容詳見網址：http://www.selaw.com.tw/LawArticle.aspx?LawID=G0100259&ModifyDate=1031231）。

2006 年公司法、證券交易法及其相關法規的修訂，將重要的公司治理措施法制化，使其具有法律之約束力。經過 2008 年金融風暴後，主管機關金融監督管理委員會(下稱金管會)除提出強化公司治理、關於企業誠信與保護投資人等方案外，更提出多項措施，督促企業及金融機構強化公司治理，建立新金融秩序，針對公司法及證券交易法迭有修正，包括董監事選舉強制採取累積投票制、引進限制型股票、表決權分割行使、強制設置審計委員會、強制設置薪資報酬委員會、證券主管機關得強制公開發行公司採用電子投票等。為了全面加強推動我國公司治理政策，金管會於 2013 年 12 月發布「強化我國公司治理藍圖」，並由證交所成立公司治理中心統籌規劃執行公司治理藍圖之重點工作項目，辦理公司治理評鑑為 2014 年及 2015 年重點執行項目。未來相關單位將持續各項改善措施，以期完善我國公司治理制度，相關重要紀事請詳**附錄一**。

2.公司治理簡介

2.1 涵義

公司治理是指一種指導及管理企業的機制，以落實企業經營人的責任，並保障股東的合法權益及兼顧其他利害關係人的利益 。良好的公司治理應具有促使董事會與管理階層以符合公司與全體股東最大利益的方式達成營運目標的正當誘因，協助企業管理結構之轉型，以及提供有效的監督機制，以激勵企業善用資源、提升效率，進而提升競爭力，促進全民之社會福祉。

2.2 OECD 公司治理原則

自 1999 年發布以來，OECD 公司治理原則已被各界公認為良好公司治理的國際基準。於 2004 年修訂的公司治理原則，OECD 提出六項原則，提供企業建立一個健全的公司治理之參考。2015 年最新修訂並更名為 G20/OECD 公司治理原則，新增主張強化機構投資人的角色、加強防範內線交易等，最新六項原則如下：

（1）確立有效公司治理架構之基礎
（2）股東權益、公允對待股東與重要所有權功能
（3）機構投資人、證券市場及其他中介機關
（4）利害關係人在公司治理扮演之角色
（5）資訊揭露和透明
（6）董事會責任

2.3 我國公司治理發展歷程

我國自 1998 年起向國內公開發行公司宣導公司治理之重要性，行政院於 2003 年 1 月 7 日成立「改革公司治理專案小組」，就公司治理之各項議題進行研討，並據以提出「強化公司治理政策綱領暨行動方案」，作為推動公司治理之依據。當時即陸續推動與執行各項政策，包含增加董事會獨立性、逐步分階段強化董事會功能性委員會之設置、參考 OECD 發布之公司治理原則制訂符合國情之上市（櫃）公司治理相關實務守則、推動電子投票、強化關係人交易之決策過程與揭露、引進投資人保護措施及提高公司資訊透明度等。

上述公司治理專案之推動雖頗有成效，惟區域鄰近國家公司治理改革已快速進展，我國應加快改革腳步，金管會乃於 2013 年公布行政院院會通過之「強化我國公司治理藍圖」，揭櫫我國之公司治理改革決心，引導未來五年之改革方向，除建立更具體明確之法規架構、於上市（櫃）公司之公司治理相關實務守則中增訂建議措施外，並成立證交所公司治理中心，整合政府、民間、證券周邊單位及媒體之力量，與上市櫃公司、民間及社會積極對話，形塑公司治理文化，破除以往由主管機關發動改革措施之模式，讓企業深入了解公司治理之價值後，自發性採行非法令強制規定之公司治理措施，強化公司之競爭力，並提升我國公司治理之國際地位。表一為台灣的公司治理的重要推動歷程。

表一：台灣的公司治理的重要推動歷程

年度	事項
1998	推動公司治理開始宣導
2002	IPO 設置獨立董事 公開資訊觀測站(MOPS)上線 公布「上市上櫃公司治理實務守則」
2003	行政院專案小組「強化公司治理政策綱領暨行動方案」
2005 至 2010	法規修訂 ✓ 公司法修訂（2005） ✓ 證券交易法修訂（2006、2010） ✓ 公布企業社會責任實務守則、誠信經營守則
2013	強化公司治理藍圖 證交所成立公司治理中心 擴大採行電子投票、設置獨立董事、審計委員會之範圍

資料來源：整理自公司治理中心網站(http://cgc.twse.com.tw/front/aboutCorpgov)

3.我國公司治理架構

3.1　公司治理法規架構

1997 年亞洲發生金融風暴，隔年我國也爆發一連串企業舞弊及金融不良債權問題，1998 年 OECD 部長會議明白揭示「強化公司治理機制」是企業對抗危機的良方，而 2001 年美國發生安隆案後，促使美國國會針對公司治理問題採取積極作為而頒布「沙賓法案」。有鑑於此，我國主管機關自 1998 年起即開始向國內公司宣導公司治理之重要性，陸續推動獨立董事、審計委員會制度，制訂公司治理等相關實務守則，逐步確立公司治理架構，希望導引國內企業落實公司治理觀念；2006 年更進一步修訂公司法及證券交易法，將公司治理措施法制化，後續更提出多項措施，以期完善我國公司治理制度。而我國公司治理法規主要架構在公司法、證券交易法及證交所與櫃買中心訂定之上市、上櫃相關規章之中。

3.1.1 公司法

公司法主要規範股東會、董事會及監察人之運作，另配合國際趨勢，引進限制型股票、表決權分割投票及採用電子投票等規定，建構適合國際投資之環境，並強制董監事選舉採累積投票制，以期達到公司治理之目的。

3.1.2 證券交易法

凡公開發行股票之股份有限公司，其有價證券募集、發行、買賣之管理與監督悉依證交法之規定，證交法未規定者始適用公司法及其他有關法律之規定。2006 年 1 月 11 日總統公布之證交法修正條文中，引進獨立董事制度、審計委員會制度，並強化董事會職能、結構與運作。另證券主管機關依據證交法之授權，訂定公開發行公司「獨立董事設置及應遵循事項辦法」、「審計委員會行使職權辦法」、「董事會議事辦法」、「內部控制制度處理準則」;此外，2010 年證交法增訂第 14 條之 6 設置薪資報酬委員會之規定等，希望藉由強化公司治理法制作業，落實董事會職能，促進股東行動主義，協助企業健全發展，提升國際競爭力。

3.1.3 上市、上櫃相關規章

為提高主管機關執法之有效性，促使所有公司遵守公司治理相關法規，證交所及櫃買中心於 2002 年在上市上櫃審查準則中即規範，初次申請上市上櫃公司必須設置獨立董事席次與資格條件，之後陸續公布上市上櫃之「公司治理實務守則」、「企業社會責任實務守則」及「誠信經營守則」等，供國內企業遵循，並導引企業強化公司治理及企業社會責任，凝聚誠信經營共識，建立公司治理文化，創造共利企業價值。

3.2　公司治理機制之設計

公司治理分為內部與外部機制，內部機制是指公司透過內部自治之方式，來管理及監督公司業務而設計的制度，譬如董事會運作的方式、內部稽核的設置及規範等。外部機制是指透過外部壓力，迫使經營者放棄私利，全心追求公司利益，例如政府法規對公司所為之控制、市場機制中的購併等。

我國現行股份有限公司機關之設計，主要係仿效政治上三權分立之精神，設有董事會、監察人及股東會等三個機關，其公司治理內部機制係以董事會為業務執行機關，而由監察人監督董事會業務執行，股東會為最高意思機關，可藉由股東代位訴訟、團體訴訟、歸入權等制度的行使運作，同時監控董事會及監察人二個機關，藉由此三機關權限劃分之制衡關係，達到公司治理之目的。

此外，公開發行公司得設置審計委員會，替代監察人，主管機關並得視公司規模、業務性質及其他必要情況，命令設置審計委員會（證券交易法§14-4）。金管會並於 2013 年 12 月 31 日依證券交易法第 14 條之 4 授權，發布「強制設置審計委員會之適用範圍」令。同時，2013 年 12 月 31 日亦擴大要求強制所有上市(櫃)公司設置獨立董事(證券交易法§14-2)。此外，股票已在證券交易所上市或於證券商營業處所買賣之公司應設置薪資報酬委員會（證券交易法§14-6）。

3.3 我國公司治理之特性

3.3.1 市場結構概述

我國證券市場在 1962 年證交所建立集中市場公開競價系統後，開始邁向制度化具體發展。證券市場參與者包括市場主管機關金管會、證交所、櫃買中心及集保結算所等交易市場的核心單位；證券服務事業包括經紀商、證券金融公司、證券投資信託及投資顧問事業。另主管機關為因應市場之發展，於 1984 年協調銀行、證券業者成立財團法人中華民國證券市場發展基金會(後更名為財團法人中華民國證券暨期貨市場發展基金會)，並由市場成交手續費中提撥一定比率充實其經費，主要負責協助證券政策與制度之設計、證券從業人員專業訓練、證券投資人投資觀念之宣導及彙總提供相關資訊。

交易市場之兩種基本型態為證券集中交易市場交易、證券店頭市場交易，目前分別由證交所、櫃買中心掌管業務。其中櫃買中心的店頭交易有二種交易方式，一為原始店頭市場(即在證券商營業處所以議價方式為之)，一為由櫃買中心集中撮合；櫃檯買賣的有價證券包括上櫃股票及興櫃股票兩類。截至 2015 年 9 月，上市公司 866 家、上櫃公司 698 家，2014 年證券市場上市（櫃）股票市值總額與該年國民生產毛額（GDP）比率約為 167%。

3.3.2 所有權與經營權已漸分離

我國早期由家族成員擔任負責人或管理階層之情形相當普遍，具有所有權與經營權重疊之特性，此項特性雖使得管理階層在公司內之權威更加集中，有助貫徹命令之執行，但卻容易造成負責人獨斷，危害一般小股東之情形。隨著我國政策推動，以及台灣產業結構調整，朝向資本密集之產業的蓬勃發展，主要以技術與資本之結合，漸漸擺脫家族企業之色彩，我國上市公司董事及監察人之持股比例呈下降之趨勢，上市公司之股權結構已漸走向經營權與所有權分離之趨勢。

3.3.3 企業集團的特性

我國上市（櫃）公司偏好以轉投資方式，擴大經營範圍並促進企業之成長。企業的主要股東常利用原事業之資金或由資本市場上所募集之

資金轉投資其他公司或創設新公司，形成企業集團。集團企業雖有助於企業快速跨足各種產業，加速企業之成長，卻也使企業面臨更多之風險。1997 年國內爆發財務危機之企業，便是因轉投資過快、過度多角化，致拖垮整個企業集團。

3.3.4 企業交叉持股之情形已漸改善

由於過去我國之公司法並未禁止母子公司交叉持股，故造成許多公司透過成立投資公司性質之子公司，大量從市場買入母公司股票，藉此交叉持股的方式鞏固經營權，母子公司交叉持股嚴重，已嚴重影響股東權益。為避免滋生弊端，我國陸續修訂相關法規，2001 年修訂公司法時已明定企業不得再有交叉持股行為。公司法也明訂從屬公司持有控制公司之股份，無表決權（公司法§179）。證券交易法並明訂政府或法人為股東時，不得由其代表人同時當選或擔任公司之董事或監察人，以強化董事、監察人之獨立性（證券交易法§26-3）。2012 年 1 月修訂之「公司法」亦限制政府或法人指派之代表人有數人時，不得同時當選或擔任董事及監察人（公司法§27）。在法規的修訂改革下，有效改善我國上市上櫃企業之母子公司交叉持股之情形。

3.3.5 海外投資的增加

我國證券市場於 1983 年開始間接引進外資投入我國有價證券，1987 年起開放國人投資國外有價證券，近年來更大幅解除管制，放寬外資投入我國證券市場資金進出之限制，隨著政府政策的開放，及全球運籌分工產銷模式下，國內企業海外投資情形日益普遍，公開發行公司近年來紛紛赴大陸或海外投資設廠，特別是對大陸之直接投資金額在過去十年持續增加。由於海外子公司營運對國內母公司營運影響性與日俱增，為加強海外投資的管理，主管機關並制訂規範，要求國內企業應揭露海外轉投資資訊。此外，考量我國與大陸地區特殊的政治關係，法令上並另行規範國內企業赴大陸地區的資訊揭露。

3.3.6 散戶為主的特性

我國資本市場向來以散戶投資人為主，法人機構之投資比重偏低。以 2015 年 10 月發布之統計資料為例（參見表二），我國法人在集中交

易市場之投資比例為 18.8%，僑外法人之投資比例為 28.6%，本國自然人之投資比例仍高達 52.5%，散戶投資比仍屬過重。由於個人投資者之投資觀念並未完整正確，因此投資決策多屬草率粗糙，易受市場波動影響而買賣股票頻繁，造成市場週轉率過高。加上這些小股東由於持有股權之比例較低，且人數眾多不易凝聚力量，對其權利義務亦不甚清楚，故小股東常會放棄其權利之行使，而默許董事及大股東之行為，因此部分公司管理當局利用投資人疏於重視公司基本面之特性，亦不重視公司治理制度。

觀察我國 2014 年上市股票成交值週轉率為 84.63%，上櫃股票為 241.94%可知，我國證券投資人以長期投資為持有目的者少，主要係進行短期投資，另本國法人之進出情況亦呈現相同之結果，故法人機構所能發揮公司治理功能極為有限，此與英、美等開發國家法人股東在資本市場上占有重要地位之情況大不相同。

表二: 集中交易市場成交金額投資人類別比例表

年	本國法人(%)	僑外法人(%)	本國自然人(%)	外國自然人(%)
2001	9.7	5.9	84.4	0
2002	10.1	6.7	82.3	0.9
2003	11.5	9.4	77.8	1.3
2004	11.6	10.9	75.9	1.6
2005	13.3	15.5	68.8	2.4
2006	11.0	16.2	70.6	2.2
2007	13.0	17.6	67.3	2.1
2008	14.0	22.1	61.7	2.3
2009	11.6	16.4	72	0
2010	13.6	18.4	68	0
2011	15.4	21.8	62.7	0
2012	15.4	22.6	62	0
2013	16.2	24.6	59.2	0
2014	17.4	23.8	58.8	0
2015/01-2015/09	18.8	28.6	52.5	0

資料來源：中華民國證券暨期貨市場重要指標，金融監督管理委員會證券期貨局編印，2015 年 10 月 15 日。

3.4 國內公司治理之重要議題

我國中小型公司組織型態趨向於家族企業，股權較為集中，故公司治理之重點在於如何防止主要股東為謀求個人利益，利用職務之便進行利益輸送而侵害一般小股東之權益。而隨著產業結構之調整，公司發展朝向大型化與資金密集，企業對外募集資金之情形普遍，公司經營權與所有權漸趨分離，故如何促使公司之經營管理階層能確實且有效率經營公司業務，並對股東負責，實為公司治理之重要課題。

4.公司治理之執行現況

以下以董事會、監察人及股東會等公司治理之內部關係為探討主軸，輔以外部關係之說明，敘述國內公司治理的執行現況。

4.1 董事會

國內企業經營與所有權合一之型態，雖有助管理階層於公司內集中權威，貫徹命令之執行，卻易造成大股東或經營者獨裁，利用職權從事利益輸送、掏空資產等不法行為。為防範董事濫用職權，並有效率執行業務，提昇公司經營績效，增加公司及股東之價值，我國法令之相關規範如下：

4.1.1 組成

4.1.1.1 人數

董事會應由董事 3 人以上組成，由股東會就有行為能力之人選任之（公司法§192），公開發行公司董事會成員應至少有 5 人（證交法§26-3），董事的選舉應採取累積投票制（公司法§198）。公司董事會人數達 9 人以上者，可設置常務董事（公司法§208），於董事會休會時，依法令、章程、股東會決議及董事會決議，以集會方式經常執行董事會職權。

另為引進獨立董事制度，證交所及櫃買中心之審查準則要求，自 2002 年 2 月起申請上市（櫃）公司，董事會成員中應包括至少獨立董事 2 人，且獨立董事中至少 1 人須為會計或財務專業人士。2006 年 1 月

11 日證券交易法之修訂更明定，公開發行公司得依公司章程規定自願設置獨立董事。但主管機關應視公司規模、股東結構、業務性質及其他必要情況，要求公司設置獨立董事，獨立董事人數不得少於 2 人，且不得少於董事席次五分之一（證券交易法§14-2）。主管機關並依此訂定「公開發行公司應設置獨立董事適用範圍」，2013 年更擴大設置獨立董事的範圍，全面強制所有上市(櫃)公司設置獨立董事，需於 2015 年至 2017 年間完成獨立董事之設置。

4.1.1.2 獨立性

（1）董事會結構

- 為強化董事會結構，2006 年 1 月 11 日新修訂之證券交易法規定公開發行公司董事應至少有 5 席，且除經主管機關核准者外，董事間應有超過半數不得具有配偶、二親等以內之親屬關係。監察人間或監察人與董事間，應至少 1 席以上，不得具有上述關係之一。（證券交易法§26-3III、IV）
- 主管機關依證券交易法第 14-2 條第 2 項規定，訂定「公開發行公司獨立董事設置及應遵循事項辦法」（以下簡稱「遵循事項辦法」），該辦法第 3 條規定，公開發行公司之獨立董事應於選任前二年及任職期間，非屬公司或其關係企業之關係人，以確保其獨立性。

（2）獨立董事席次、資格之規範

「遵循事項辦法」另規定公開發行公司獨立董事應取得一定專業資格條件及 5 年以上之工作經驗，以確保其妥當行使職權，資格條件說明如下：

- 具有商務、法務、財務、會計或公司業務所需相關科系之公私立大專院校講師以上資格。
- 法官、檢察官、律師、會計師或其他與公司業務所需國家考試及格領有證書之專門職業及技術人員。
- 具有商務、法務、財務、會計或公司業務所需之工作經驗者。

有下列情事之一者，不得充任獨立董事，其已充任者，當然解任：

- 有公司法第 30 條各款情事之一。

- 依公司法第 27 條規定以政府、法人或其代表人當選。
- 違反「遵循事項辦法」所定獨立董事之資格。

（3）獨立性

為確保獨立董事之獨立性，「遵循事項辦法」第 3 條規定公開發行公司之獨立董事應於選任前二年及任職期間無下列情事之一：

- 公司或其關係企業之受僱人。
- 公司或其關係企業之董事、監察人。但如為公司或其母公司、子公司依本法或當地國法令設置之獨立董事者，不在此限。
- 本人及其配偶、未成年子女或以他人名義持有公司已發行股份總額 1%以上或持股前十名之自然人股東。
- 前三款所列人員之配偶或其二親等以內之親屬或三親等以內直系血親親屬。
- 直接持有申請公司已發行股份總數 5%以上法人股東之董事、監察人或受僱人，或持股前五名法人股東之董事、監察人或受僱人。
- 與公司有財務或業務往來之特定公司或機構之董事（理事）、監察人（監事）、經理人或持股 5%以上股東。
- 為公司或關係企業提供財務、商務、法律等服務、諮詢之專業人士、獨資、合夥、公司或機構團體之企業主、合夥人、董事 (理事) 、監察人 (監事) 、經理人及其配偶。但依股票上市或於證券商營業處所買賣公司薪資報酬委員會設置及行使職權辦法第 7 條履行職權之薪資報酬委員會成員，不在此限。

此外，公司之獨立董事得兼任其他公司獨立董事，惟不得逾 3 家，另依證交所與櫃買中心之規定，申請上市（櫃）公司之獨立董事應於輔導期間進修法律、財務或會計專業知識每年達 3 小時以上且取得相關證明文件。

4.1.1.3 董監候選人提名制度

為健全公司經營體質，保障投資大眾權益，公司法納入候選人提名制度，亦即公開發行股票公司董事、監察人選舉，得於章程中明定採候選人提名制度，由股東就董事、監察人候選人名單中進行選任(公司法§192-1、§216-1)。另為確保獨立董事選任過程不受管理當局與大股東不當干預，「遵循辦理事項」第 5 條規定獨立董事應依公司法第 192

條之 1 規定採候選人提名制度，並賦予小股東提名權。董事選舉則採獨立董事與非獨立董事一併選舉，分別計算當選名額之方式為之。

4.1.2　職權

我國董事會職權廣泛，其得決議之事項，除公司法及公司章程規定應由股東會決議之事項外，均可為之（公司法§193、§202）。一般而言，董事會的主要職責包括監督經營績效、防制利益衝突及確保公司遵循各種法令。對有關促使董事會有效率執行職務，我國法令並無具體規範董事執行業務之方式，實務上各公司作法不同，董事會之運作各異其趣。由於部分公司董事會之運作情形不佳，董事未妥善履行其職務，易造成大股東或經營者濫用職權。為落實董事之職責，我國公司法明確規定公司負責人應踐行忠實義務及注意義務，如有違反規定，致公司受有損害，並應負損害賠償責任（公司法§23）。

為強化並提昇董事會之職能，2006 年 1 月 11 日修訂之證券交易法，明定公司應訂定董事會議事規範（證券交易法§26-3），並於同年制定「公開發行公司董事會議事辦法」。另依證交所規定應設獨立董事之公司，就下列對於公司財務業務有重大影響之事項，明訂應提董事會決議，獨立董事如有反對或保留意見者，應於董事會議事錄載明（證交法§14-3）：

- 依第 14 之 1 條規定訂定或修正內部控制制度。
- 依第 36 之 1 條規定訂定或修正取得或處分資產、從事衍生性商品交易、資金貸與他人、為他人背書或提供保證之重大財務業務行為之處理程序。
- 涉及董事或監察人自身利害關係之事項。
- 重大之資產或衍生性商品交易。
- 重大之資金貸與、背書或提供保證。
- 募集、發行或私募具有股權性質之有價證券。
- 簽證會計師之委任、解任或報酬。
- 財務、會計或內部稽核主管之任免。
- 其他經主管機關規定之重大事項。

為強化董事會職能及兼顧董事會議事有效運作，主管機關於 2012 年 8 月 22 日修正「公開發行公司董事會議事辦法」，增訂公司對關係人之捐贈或非關係人之重大捐贈事項應提董事會討論，及與自身或其

代表之法人有利害關係之董事應於董事會說明其利害關係之重要內容等規定。另「公開發行公司建立內部控制制度處理準則」及「證券暨期貨市場各服務事業建立內部控制制度處理準則」要求公開發行公司及公開發行之證券期貨特許事業，其內部控制制度及年度稽核計畫應包括對董事會議事運作之管理。

4.1.3　制衡

為避免董事會濫用職權，公司法中納入之制衡設計規定如下：

1. 股東、監察人對董事會違法行為之制止（公司法第 194、218-2 條）
2. 股東會或股東解任不適任董事之權利（公司法第 199、200 條）
3. 董事競業之限制，避免利益衝突（公司法第 209 條）
4. 對董事責任之追究（公司法第 212、214 條）
5. 董事與公司間交易規範之限制（公司法第 223、206 條）

4.1.4 獨立董事人才資料庫

為提昇上市(櫃)公司落實獨立董事制度，2002 年 2 月在主管機關指導下，由證基會負責配合建立並維護「獨立董事人才資料庫」（網站：http://webline.sfi.org.tw/B/watch/）。透過資料庫彙整符合國內獨立董事資格之人選，其學經歷等背景資訊，供上市（櫃）公司作為遴聘獨立董事之參考。

4.1.5 董事及控制股東之股權交易揭露規範

我國內部人持股轉讓制度，併採事前申報及事後申報制：

1.事前申報：依證交法第 22 條之 2 規定，公司董事、監察人、經理人或持有公司股份超過股份總額 10%之股東（以下簡稱「內部人」）其持股轉讓前，應向主管機關辦理申報，始得轉讓；上述人員之持股，包括其配偶、未成年子女與及利用他人名義持有者。

2.事後申報：依證交法第 25 條第 2 項規定，公司內部人包括其配偶、未成年子女及利用他人名義持有者，應於每月 5 日前將上月份持有股數變動之情形向公司申報。公司應於每月 15 日前，彙總向主管機關申報。

3.質權設定申報：公司內部人持有之股票經設定質權者，出質人應即

通知公司；公司應於其質權設定後 5 日內，將其出質情形，向主管機關申報。

而對上市（櫃）公司具控制能力之法人股東依「上市上櫃公司治理實務守則」要求，應負有下列義務：

（1）對其他股東應負有誠信義務，不得直接或間接使公司為不合營業常規或其他不利益之經營。

（2）其代表人應遵循上市（櫃）公司所訂定行使權利及參與議決之相關規範，於參加股東會時，本於誠信原則及所有股東最大利益，行使其投票權，並能善盡董事、監察人之忠實與注意義務。

（3）對公司董事及監察人之提名，應遵循相關法令及公司章程規定辦理，不得逾越股東會、董事會之職權範圍。

（4）不得不當干預公司決策或妨礙經營活動。

（5）不得以壟斷採購或封閉銷售管道等不公平競爭之方式限制或妨礙公司之生產經營。

此外，上市（櫃）公司應隨時掌握持有股份比例較大，及可以實際控制公司之主要股東，及主要股東之最終控制者名單。所謂主要股東指股權比例達 5%以上，或股權比例占前十名之股東，但公司得依實際持股情形訂定較低之股份比例。(「上市上櫃公司治理實務守則」§18、§19）

另證券交易法第 25 條雖未規定持股 5%以上之股東需揭露持股資料，僅規範持股超過 10%以上之大股東應揭露，惟證券交易法授權「公司募集發行有價證券公開說明書應行記載事項準則」第 11 條，及「公開發行公司年報應行記載事項準則」第 11 條之規定，應於公開說明書及年報揭露股權比例達5%以上之股東或股權比例占前十名之股東名稱、持股數額及比例。另法人股東如為董事或監察人，應再揭露該法人股東之主要股東，若該法人股東之主要股東為法人者，應再揭露其主要股東名稱。有關公開發行公司之年報及公開說明書資料，可於公開資訊觀測站查詢下載（http://mops.twse.com.tw/mops/web/index）。

4.2 監察人

公司法採董事會及監察人雙軌制者，監察人之功能為負責公司業務執行之監督及公司會計之審計，其獨立性更顯重要。

4.2.1 組成

（1）人數

我國法令規定股份有限公司至少須設置監察人 1 人、公開發行公司之監察人須有 2 人以上（公司法§216），上市公司之監察人人數應至少達 3 人(上市審查準則§9)。

（2）資格

監察人中至少須有 1 人在我國國內有住所，另 2001 年修訂的公司法已取消監察人以具股東身分者為限者之資格的限制(公司法第§216 條)。由於監察人主要功能係負責公司業務執行之監督及公司會計之審計，其獨立性更顯重要，故我國公司法中禁止監察人兼任公司董事、經理人或其他職員（公司法§222）。此外，監察人間或監察人與董事間，應至少 1 席以上不得具有配偶、二親等以內之親屬關係之一（證券交易法§26-3III、IV），除上述法律規範外，上市（櫃）公司監察人成員尚須符合上市（櫃）審查準則補充規定有關獨立性之要求。2006 年證券交易法及 2012 年公司法陸續修訂後，無論是否為公開發行公司，政府或法人股東指派之代表人，均不得同時當選為董事及監察人（證交法§26-3、公司法§27）。

4.2.2 職責

- 單獨行使監察權(公司法§221)，調查公司設立經過(公司法§146)、調查公司業務及財務狀況(公司法§218)、查核公司會計表冊(公司法§219)、通知董事會停止其違法行為(公司法§218-2)、公司發行新股時查核財產出資(公司法§274)、審查清算人就任時所造具之會計表冊(公司法§326)及審查清算表冊(公司法§331)等。
- 特定情形下，監察人具公司代表權(公司法§213、218II、§219II、§214)
- 股東會召集權(公司法§220、§245)
- 得列席董事會陳述意見（公司法§218-2）

我國公司法雖賦予監察人得各單獨行使監察權及其他權限，為使監察人發揮積極監督公司之功能，金管會督促證交所及櫃買中心訂定監察人之職權範疇規則參考範例，並辦理宣導說明會，進行教育宣導。

4.2.3 制衡

公司法對制衡監察人怠忽職責之設計，主要包括下列各項：

- 股東會或股東可解任監察人（公司法§227、§200）
- 對監察人責任之訴追（公司法§225、§227）
- 加重監察人對公司及第三人之責任（公司法§8、§23、§224、§226）
- 上市公司監察人最低持股比例限制（證券交易法§26、公司法§216、公開發行公司董事監察人股權成數及查核實施規則§2）。

4.3 審計委員會

我國公司法制係採董事會及監察人雙軌制，為擷取國外公司治理制度之優點，2006 年 1 月 11 日證券交易法修正增列獨立董事及審計委員會，規定公司得擇一選擇採現行董事、監察人雙軌制，或改採單軌制設置審計委員會者取代監察人（證券交易法§14-4）。另為順應國際發展趨勢與強化我國公司治理之內部監督機制、股東權益及健全公司經營之效益，金管會依證券交易法第 14 條之 4 授權規定分階段強制要求公司設置審計委員會，先於 2013 年 2 月 20 日發布行政命令強制要求公開發行之金融控股公司、銀行、票券、保險及上市(櫃)或金融控股公司子公司之綜合證券商及資本額達新臺幣 500 億元以上非屬金融業之上市(櫃)公司應設置審計委員會替代監察人，嗣於 2013 年 12 月 31 日再發布行政命令擴大「強制設置審計委員會之適用範圍」，新增要求公開發行股票之證券投資信託事業、綜合證券商、上市(櫃)期貨商及實收資本額達新臺幣 100 億元以上未滿 500 億元之非屬金融業之上市（櫃）公司應於 2015 至 2017 年間完成審計委員會之設置，實收資本額達新臺幣 20 億元以上未滿 100 億元之非屬金融業上市（櫃）公司應於 2017 至 2019 年間完成審計委員會之設置。」

4.3.1 組成

鑒於審計委員會有其特有之職權，考量其應具備專業及獨立性，2006 年 1 月 11 日新修訂之證券交易法明定，審計委員會應由全體獨立董事組成，其人數不得少於 3 人，其中 1 人為召集人，且至少 1 人應具備會計或財務專長，以確實發揮審計委員會之功能（證券交易法§14-4II）。

4.3.2 職權範圍

- 證券交易法、公司法及其他法律對於原屬監察人之規定(如：監督公司業務之執行)，準用於審計委員會（證券交易法§14-4III）。
- 公司法對於原屬監察人之規定，涉及監察人之行為或為公司代表者，明定於審計委員會之獨立董事成員準用之（證券交易法14-4IV）。
- 爲有效發揮審計委員會之獨立、專業功能，並強化公司內控制度運行之有效性，審計委員會之職權，除屬獨立董事之職權項目外（證券交易法§14-3I），尚包括考核內部控制制度，以及納入證券交易法第36條第1項同意年度財務報告及半年度財務報告等職權（證券交易法§14-5I）。

4.3.3 職權之行使方式

審計委員會之決議方式，應有審計委員會全體成員二分之一以上之同意（證券交易法§14-4VI）。而對於公司財務業務有重大影響之事項，應經審計委員會全體成員二分之一以上同意，並提董事會決議（證券交易法§14-5I）。惟為免因審計委員會制度之推動，而影響公司營運之效率及彈性，上述對於公司財務業務有重大影響之事項，除應為年度財務報告及半年度財務報告外，如未經審計委員會全體成員二分之一以上同意者，得以全體董事三分之二以上同意行之（證券交易法§14-5II）。主管機關另訂定「公開發行公司審計委員會行使職權辦法」，詳細規定審計委員會及其獨立董事成員對其職權行使事項（證券交易法§14-4V），以配合新制度之實施。

4.4 薪資報酬委員會

鑑於薪酬制度為公司治理及風險管理重要一環，2010 年 11 月 24 日新修定之證券交易法增訂第 14 條之 6，規範股票已在證券交易所上市或於證券商營業處所買賣之公司應設置薪資報酬委員會。金管會並於 2011 年 3 月 18 日發布「股票上市或於證券商營業處所買賣公司薪資報酬委員會設置及行使職權辦法」（以下簡稱薪酬委員會職權辦法），規範該委員會之組成、委員會之職權範圍、議事規範及成員應具備之專業資格與獨立性要求，暨其職權行使相關事項，以健全公司

董事、監察人及經理人薪資報酬制度。

4.4.1 組成

依據薪酬委員會職權辦法規定，薪資報酬委員會成員由董事會決議委任，其人數不得少於 3 人，且已依證交法規定設置獨立董事者，薪資報酬委員會至少應有獨立董事一人參與。薪資報酬委員會成員應符合專業性及獨立性之規定。

4.4.2 職權範圍及職權行使原則

- 訂定並定期檢討董事、監察人及經理人績效評估與薪資報酬之政策、制度、標準與結構，以及定期評估並訂定前開人員之薪資報酬。
- 薪資報酬委員會成員履行相關職權時，應依據下列原則：

1. 董事、監察人及經理人之績效評估及薪資報酬應參考同業通常水準支給情形，並考量與個人表現、公司經營績效及未來風險之關連合理性。
2. 不應引導董事及經理人為追求薪資報酬而從事逾越公司風險胃納之行為。
3. 針對董事及高階經理人短期績效發放紅利之比例及部分變動薪資報酬支付時間應考量行業特性及公司業務性質予以決定。

4.5 股東會

4.5.1 股東之參與

股東係企業所有者，企業經營之優劣，與其權利息息相關，故公司治理之架構應保護股東的權利，賦予股東權益，俾利其發揮公司治理之機制。我國股東依現行公司法相關規定，可藉由下列各項股東權益之運用，於公司治理中扮演重要角色：

- 選任、解任董事及監察人（公司法§192、§192-1、§199、§216、§216-1、§184）
- 股東直接提案權（公司法§172-1）
- 決定董監事之報酬（公司法§196、§227）
- 核可公司章程之修改（公司法§277）

- 核可重大交易事項（公司法§185、§316）
- 移轉股權（公司法§163）
- 其他記載於公司法與公司章程之股東權益

4.5.1.1 股東提案權

為使股東有參與公司經營之機會，2005 年新修訂之公司法賦予股東於股東會開會前，有提出議案要求董事會將所提議案列入開會通知之權利。單一或數位合計持有已發行股份總數 1%以上股份之股東，得向公司提出一項以 300 字為限之股東常會議案，該提案股東並應出席股東常會參與所提議案之討論(公司法§172-1)。為確保股東議事權，上市（櫃）公司董事會應妥善安排股東會議題及程序，股東會應就各議題之進行酌予合理之討論時間，並給予股東適當之發言機會。（上市上櫃公司治理實務守則§6I）

4.5.1.2 股東電子投票制度

依原公司法規定，股東出席股東會之方式，有親自出席及委託出席兩種。鑒於電子科技時代來臨，並為鼓勵股東參與股東會之議決，增加參與公司經營之機會，新增書面投票與電子投票兩種直接行使表決權之方式（通稱通訊投票）。而以電子方式係指依電子簽章法規定之電子方式行使。此外，公司應將書面或電子方式行使表決權之方法載明於股東會召集通知，俾讓股東知悉並運用（公司法§177-1、177-2）。

2012年1月公司法修正公布第177條之1，增訂證券主管機關應視公司規模、股東人數與結構及其他必要情況，命公司將電子投票列為表決權行使管道之一。2012年2月20日訂定上市（櫃）公司實收資本額100億元以上及股東人數達1萬人以上，召開股東會應提供電子投票為表決權行使管道之一。又為進一步便利股東行使表決權以落實股東行動主義並提升公司治理，金管會於2013年及2014年陸續發布命令，將電子方式列為表決權行使管道之公司實收資本額由新臺幣100億元調降至50億元，再由50億元調降至20億元，並自2016年起實施。此外，自2016年起初次上市（櫃）之公司應於公司章程中，將電子投票列為表決權行使管道之一。

為鼓勵公司採候選人提名制以利電子投票推行，對於2014年最近一次股東會有董監改選或補選且該次股東會修正章程採提名制之公司，得自下次股東會始採用電子投票，以利其修正章程採提名制。經統計2015年計有278家上市（櫃）及興櫃公司將電子方式列為股東常會表決權行使管道之一。

此外，2012 年 1 月修正公布公司法第 181 條，同年 4 月訂定「公開發行公司股東分別行使表決權作業及遵行事項辦法」，增訂開放符合條件之國外各類基金、國外金融機構或存託機構得分割投票，以落實股東行動主義。同時，為落實公司依法設置薪資報酬委員會和電子投票制度，於 2012 年 2 月修正發布「發行人募集與發行有價證券處理準則」，增訂未依規定設置者，得退回其申報募資、無償配發新股及減少資本案件之規範，以強化公司治理職能。

另為改善外資股東參與我國股東會投票作業，提昇整體市場跨國投票作業之執行效率，集保結算所自 2015 年起提供「跨國投票直通處理 STP（Straight Through Process）」服務。

4.5.1.3 股東代位訴訟

股東代位訴訟制度，使小股東於必要時得對公司管理者提出法律告訴（公司法§214），亦為我國賦予股東保障權益之利器。惟過去公司法對該項制度訴訟要件規範過度嚴苛與簡陋，致實務上罕見成功運作此項制度之具體實例，對失職之公司管理者提起追訴，發揮有效監督制衡的力量。2001 年修訂公司法已放寬請求監察人為公司對董事提起訴訟門檻，將股東持股由 5%，降為 3%，未來似宜就該項制度之缺失，再為適度的改進，以落實該項制度之立法意旨。

另 2009 年 5 月 20 日修正「證券投資人及期貨交易人保護法」第 10 條之 1，保護機構辦理業務，發現上市或上櫃公司之董事或監察人執行業務，有重大損害公司之行為或違反法令或章程之重大事項，得依規定為公司對董事或監察人提起訴訟及訴請法院裁判解任董事或監察人，不受公司法第 214 條及第 200 條之限制，俾得督促公司管理階層善盡忠實義務。

4.5.1.4 董監候選人提名制度

鑒於上市、上櫃等公開發行股票之公司，股東人數眾多，為健全公司經營體質，保護投資大眾權益，推動公司治理，有建立董監候選人提名制度之必要，公司採行此種制度者，應載明於章程，董監提名制度，係由單一或數位合計持有已發行股份總數 1%以上股份之股東，向公司提出董監候選人名單，公司收到董監候選人名單後，應進行審查，經審查合格者，公司即將相關資料公告，俾利股東就董監候選人名單中進行選任 (公司法§192-1、§216-1) 。為強化公司治理，2015 年 10 月證交所、櫃買中心公告新增，自 2016 年起申請本國股票上市上櫃之發行公司及股票第一上市上櫃之外國發行人，應於章程載明董事及監察人選舉採候選人提名制度，證交所、櫃買中心始受理其申請上市上櫃。惟 2016 年 6 月底前申請者，倘因召開股東會作業不及而尚未完成章程之修正，應出具至遲於 2016 年 6 月底前召開之股東會完成章程修正之承諾；至於自 2016 年 7 月 1 日後申請者，則應於申請前完成章程之修正。此外，為鼓勵公司採行董監候選人提名制，證基會及公司治理協會已將公司採行董監候選人提名制度，分別列為公司治理評鑑系統及公司治理制度評量指標項目之一。

4.5.2 徵求委託書

股東不克親自出席股東會時，得於公司印製之委託書載明授權範圍，委託代理人出席股東會（公司法§177）。公開發行公司委託書的徵求，應適用主管機關依證券交易法第 25 條之 1 授權所發布之「公開發行公司出席股東會使用委託書規則」（下稱委託書規則）。為強化股東會委託書管理，金管會於 2013 年 4 月 11 日修正委託書規則，重點包括：

1. 股東會委託書於股東會開會前，均應經統計驗證，不以股東會有選舉董事或監察人議案為限。
2. 配合證券交易法修正，增訂第 165 條之 1 準用規定，明定第一上市（櫃）及興櫃外國公司，準用旨揭規則規定，考量上開公司註冊地國法令與我國法令之差異，明定其股東會委託書徵求人或委任徵求股東持股之計算方式、委託書徵求人檢附徵求資料達公司之日期及公司製作徵求人徵求資料彙總表冊傳送證基會之日期等。

此外，除了進一步為強化股東會委託書管理外，為了遏止價購委託書及強化不法行為之查核，金管會於 2015 年 3 月 4 日修正委託書規則，

本次合計修正三條，修正要點如下：

1.為避免徵求關係複雜化，明定金融控股公司委託信託事業或股務代理機構擔任徵求人後，其子公司於該次股東會不得再有徵求行為或接受徵求人之委託辦理代為處理徵求事務。(修正條文第六條)
2.為加強對各徵求場所辦理徵求事務人員之管理，規定徵求人及代為處理徵求事務者應於徵求場所人員辦理徵求事務前，向金融監督管理委員會指定之機構申報，並依規定辦理異動申報。徵求人及代為處理徵求事務者不得以未依規定申報之人員辦理委託書徵求事務，取得委託書。(修正條文第七條之二)
3.為強化委託書之管理，並瞭解委託書流向，規定委託書應加蓋徵求場所章戳，並由徵求場所辦理徵求事務之人員於委託書上簽名或蓋章。(修正條文第十條)

4.5.3 加強股東權行使之措施

為因應電子科技之進步，節省公司通知事務之成本，公司召開股東會時，經相對人同意，開會通知得依以電子方式為之(公司法§172IV)。另股東會議事錄亦得以電子方式製作及分發(公司法§183II) 。由於上市(櫃)公司股東人數眾多，為確保股東依法得於股東會行使股東權，主管機關鼓勵上市（櫃）公司透過各種方式與途徑，並充分採用科技化之訊息揭露與投票方式，以提高股東出席股東會之比率（上市上櫃公司治理實務守則§7I，此部分可參考 4.5.1 股東之參與）。

另為使股東及早瞭解股東會議事程序及內容，俾利股東積極參與股東會行使權利，2009 年 12 月 11 日金管會修訂「公開發行公司股東會議事手冊應行記載及遵行事項辦法」第 6 條，規定公司應於股東常會開會 21 日前，將股東會議事手冊及會議補充資料電子檔案傳送至公開資訊觀測站。

此外，因應公司法第 183 條第 3 項及第 230 條第 2 項修正，不論股東持股多寡股東會議事錄及重要決議之分發均得以公告方式為之。因此金管會爰於 2011 年 7 月 7 日配合修正公告方式，規範公開發行股票公司依前揭公司法規定辦理股東常會（臨時會）議事錄之分發及股東會承認之財務報表、盈餘分派或虧損撥補決議之分發，應依規定向金管會指定之資訊申報網站「公開資訊觀測站」傳輸公告資訊。

為避免股東會過於集中，以保障股東行使股東權，證交所及櫃買中心已建置「上市(櫃)及興櫃公司股東常會開會日期事前申報機制」系統，並自 2010 年度起實施，每日開放登記家數不超過 200 家，惟採電子投票之公司不受限制。公司應於每年 3 月 15 日以前完成登記。另配合 2012 年 1 月 1 日施行之證券交易法第 36 條規定，將年度財務報告公告申報期限由會計年度終了後 4 個月縮短為 3 個月，規範自 2012 年起每日召開股東常會之公司家數不超過 120 家。為了便利股東參與或監督公司重大決策，自 2015 年起，上市（櫃）及興櫃公司每日召開股東常會家數限額由 120 家調降為 100 家，自願電子投票公司則不受每日 100 家限制，以保障股東權益。

另證券交易法第 36 條第 7 項及第 8 項規定，上市（櫃）公司及興櫃公司股東常會應於每會計年度終了後 6 個月內召開，不得以其他理由主張延期召開，未依規定召開者，依同法第 178 條規定處罰鍰。又董事及監察人任期屆滿之年，董事會未依規定召開股東會改選者，主管機關得限期召開，屆期仍不召開者，全體董事及監察人於限期屆滿時當然解任。

為保護少數股東，新增證券交易法第 38 條之 1 第 2 項規定，繼續一年以上，持有股票已在證券交易所上市或於證券商營業處所買賣之公司已發行股份總數百分之三以上股份之股東，對特定事項認有重大損害公司股東權益時，得檢附理由、事證及說明其必要性，申請主管機關檢查發行人之特定事項或有關書表、帳冊，另為免少數股東濫用本項規定干擾公司之正常營運，其申請須經主管機關審酌認有必要時，始依第一項規定委託相關人員進行檢查，檢查費用仍由被檢查人負擔。

4.5.4 股東會決議表決方式相關規範

依公司法第 177 條規定，股東除親自出席股東會外，得出具公司印發之委託書，載明授權範圍，委託代理人出席。一人同時受二人以上股東委託時，其代理之表決權數不得超過已發行股份總數表決權之 3％。2005 年新修正之公司法允許股東得以書面或電子方式行使表決權，另依公司法第 177 條之 1 第 2 項規定，採電子投票之股東，就該次股東會之臨時動議及原議案之修正，視為棄權。

依經濟部 2005 年 4 月 11 日經商字第 09402406590 號公告規定，股東對議案有異議：應載明通過表決權數及其權數比例，其記載可為「出席股東表決權數 OOO，OOO 同意通過，占總權數 OO.OOO％」。另依經濟部 2005 年 10 月 3 日經商字第 09402136260 號函規定，如股東採書面或電子方式行使表決權，而其中有反對權數或棄權權數，股東會當日主席徵詢現場出席股東（不包括書面或電子方式行使表決權股東）無異議者，仍屬上開公告股東對議案有異議規定之範疇。」

依臺灣證券交易所訂定之「OO 股份有限公司股東會議事規則」參考範例第 10 條第 4 項及第 13 條第 7、8 項規定，主席對於議案之討論，認為已達可付表決之程度時，得宣布停止討論，提付表決。議案表決之監票及計票人員，由主席指定之，但監票人員應具有股東身分。表決之結果，應當場報告，並做成紀錄。另為鼓勵採行股東會逐案票決，以便利股東行使表決權並強化公司治理，金管會業督導臺灣證券交易所於 2011 年 3 月 31 日公告修正「上市上櫃公司治理實務守則」第 7 條及「○○股份有限公司股東會議事規則」參考範例第 13 條。增訂上市上櫃公司宜安排股東就股東會議案逐案進行投票表決，並於股東會召開後當日，將股東同意、反對或棄權之結果輸入證交所指定之網際網路資訊申報系統之規範。又為使公司實務作業順暢，2014 年及 2015 年分別公告修正前揭條文，於股東會召開後當日，將股東同意、反對「及」棄權之結果輸入證交所指定之網際網路資訊申報系統。

4.6 資訊透明化

證券的價格來自所有資訊的集合，投資人基於該企業有關之各項資訊而為各種可能性風險預估之判斷。為使投資人獲得最適的資訊，據以評估公司之管理績效，作成投資決策，乃至有效防範詐欺之情事，我國公司法規定，公司得依董事會之決議，向證券管理機關申請辦理公開發行。證券交易法並規定上市（櫃）公司應公開提供內部資訊與資料。依國內現行資訊公開之基本架構，分為在發行證券時所作的公開，及證券發行後於交易市場所作的各種定期性（如年報、財務報告、財務預測、每月營業額公告等），及不定期性（如足以影響股價及股東權益事項、募集與發行有價證券之相關事項、取得或處分資產事項等）資訊揭露。有關公開發行公司應公告或向主管機關申報事項，請參閱主管機關發布「公開發行公司應公告或向本會申報事項一覽表」（參見 http://www.sfb.gov.tw/ch/home.jsp?id=41&parentpath=0,4）。

4.6.1 發行市場之資訊公開

證券於募集發行時所作的資訊揭露，公司法與證券交易法均有相關規範，其應向主管機關提供之申請書及相關文件中，以公開說明書最為重要。公開說明書應記載之內容，主要包括公司概況、營運概況、發行計畫及執行情形、財務狀況、特別記載事項、重要決議。為深化公司治理，證交所及櫃買中心於 2007 年起要求公司應製作「公司治理自評報告」作為初次上市(櫃)之申請書件，由承銷商評估申請公司是否允當表達其公司治理運作情形。(http://www.twse.com.tw/docs1/data01/set/public_html/0960005558.htm）

4.6.2 交易市場之資訊公開

在資訊揭露方面，目前有定期性資訊及不定期資訊二種。交易市場應定期公開之項目，主要包括每月營運情形、定期性財務報告、財務預測（非強制性）、年報及議事錄、內部人交易資訊。不定期公開之項目，主要包括重大訊息的適時公開、取得或處分資產之申報及公開，以及其他如徵求委託書、現金增資等重要訊息不定期的公開。惟資訊之公開首重適時，為使公開發行公司財務業務充分、公正且即時揭露，主管機關除加強公開內容之完整、確實性外，並要求對關係企業的資訊揭露。針對影響股東權益及股價之不定期重大訊息，亦發布多項要點、辦法嚴格督促上市（櫃）公司即時公開重大資訊，違反規定者，則視情節之輕重，予以不同的處罰。為確保公開發行公司財務業務資訊之正確性，以維護證券市場之公正性，並保障投資人權益，證券交易法第 14 條要求公司董事長、經理人及會計主管應出具無虛偽或隱匿之聲明書。為使公司內部人及員工更明瞭法律規定及自身權利義務，以減少內線交易案件發生，及協助上市（櫃）公司建立良好之內部重大資訊處理及揭露機制，以避免公司內部重大資訊不當洩漏，證交所及櫃買中心於 2008 年 11 月訂定「○○股份有限公司內部重大資訊處理作業程序」參考範例，供上市上櫃公司實務運作參考。

此外，為使投資人充分、即時瞭解上市（櫃）公司財務業務狀況，避免資本市場產生資訊不對稱情形，金管會業請證交所及櫃買中心增修上市（櫃）公司辦理法人說明會之會議影音連結資訊等相關申報事

項，並於 2012 年 11 月 13 日公告相關措施，自 2013 年 6 月 1 日開始實施，凡屬當日交易時間開始前或交易時間內於國內自辦之法人說明會，均應於會中同步提供完整之影音資訊供外界即時收視，餘則應於會後之次一營業日交易時間開始 2 小時前，於公開資訊觀測站輸入完整之會議影音連結資訊以供投資人查閱。

另為使公司之重大訊息具充分公開時間，提供投資人訊息消化時間，證交所及櫃買中心參酌國外主要證券交易所規定，於其「重大訊息之查證暨公開處理程序」增設訊息面暫停交易專章作為規範依據，並自 2016 年 1 月 15 日起正式實施，以與國際接軌及降低資訊不對稱情事。

此外，為提升上市（櫃）公司重大訊息揭露之即時性，證交所及櫃買中心發布修正「重大訊息之查證暨公開處理程序」，要求上市(櫃)公司發現大眾傳播媒體報導公司重大事件、報導內容足以影響有價證券行情，或報導與事實不符者時，須立即輸入重大訊息說明，至遲不得逾當日中午 12 時。但於例假日或營業日中午 12 時後始發現者，應於發現傳播媒體報導日之次一營業日交易時間開始一小時前輸入。

4.6.3 加強年報公司治理資訊揭露

為強化公司治理運作情形之資訊揭露，主管機關於近年大幅修正「公開發行公司年報應行記載事項準則」，2007 年 1 月起並調整年報編製架構，整合相關資訊列為「公司治理報告」，並以專節將「公司治理報告」列為年報優先揭露事項，茲彙整現行年報「公司治理報告」揭露規範項目如下：

揭露事項	揭露要求
組織系統	● 列明公司組織結構及各主要部門所營業務
董事、監察人、總經理、副總經理、協理、各部門及分支機構主管資料	● 董事、監察人：姓名、國籍或註冊地、主要經（學）歷、目前兼任本公司及其他公司之職務、選（就）任日期、任期、初次選任日期及本人、配偶、未成年子女與利用他人名義持有股份、所具專業知識及獨立性之情形。 ● 總經理、副總經理、協理、各部門及分支機構主管：姓名、主要經（學）歷、選（就）任日期、任期及本人、配偶、未成年子女與利用他人名義

揭露事項	揭露要求
	持有股份。 ● 最近年度支付董事、監察人、總經理及副總經理之酬金。 ● 分別比較說明本公司及合併報表所有公司於最近二年度支付本公司董事、監察人、總經理及副總經理酬金總額占個體或個別財務報告稅後純益比例之分析並說明給付酬金之政策、標準與組合、訂定酬金之程序、與經營績效及未來風險之關聯性。
公司治理運作情形	● 董事會運作情形。 ● 審計委員會運作情形或監察人參與董事會運作情形。 ● 公司治理運作情形及其與上市上櫃公司治理實務守則差異情形及原因。 ● 公司如有設置薪資報酬委員會者，應揭露其組成、職責及運作情形。 ● 履行社會責任情形。 ● 公司履行誠信經營情形及採行措施。 ● 公司如有訂定公司治理守則及相關規章者，應揭露其查詢方式。 ● 其他足以增進對公司治理運作情形之瞭解的重要資訊，得一併揭露。 ● 內部控制制度執行狀況應揭露下列事項： 1.內部控制制度聲明書。 2.委託會計師專案審查內部控制制度者，應揭露會計師審查報告。 ● 公司及其內部人員依法被處罰、公司對其內部人員違反內部控制制度規定之處罰、主要缺失與改善情形。 ● 股東會及董事會之重要決議。 ● 董事或監察人對董事會通過重要決議有不同意見且有紀錄或書面聲明者，其主要內容。 ● 公司董事長、總經理、會計主管、財務主管、內部稽核主管及研發主管等辭職解任情形之彙總。
會計師公費資訊	● 公司可有條件式選擇採級距或個別揭露金額方式揭露會計師公費。
更換會計師資訊	● 公司如在最近二年度及其期後期間有更換會計師情形者，應揭露關於前任會計師、繼任會計師相關事項。

揭露事項	揭露要求
其他	● 公司之董事長、總經理、負責財務或會計事務之經理人，最近一年內曾任職於簽證會計師所屬事務所或其關係企業者，應揭露其姓名、職稱及任職於簽證會計師所屬事務所或其關係企業之期間。 ● 董事、監察人、經理人及持股比例超過 10%之股東股權移轉及股權質押變動情形。 ● 持股比例占前十名之股東，其相互間為關係人或為配偶、二親等以內之親屬關係之資訊。 ● 公司、公司之董事、監察人、經理人及公司直接或間接控制之事業對同一轉投資事業之持股數，並合併計算綜合持股比例

為加強公司財務報告的透明性，「公開發行公司年報應行記載事項準則」第 10 條第 1 項第 5 款規定，公司可選擇採級距或個別揭露會計師公費，另發行人有下列情事之一者，應揭露下列事項：

1. 給付簽證會計師、簽證會計師所屬事務所及其關係企業之非審計公費佔審計公費之比例達 1/4 以上者，應揭露審計與非審計公費金額及非審計服務內容。
2. 更換會計師事務所且更換年度所支付之審計公費較更換前一年度之審計公費減少者，應揭露更換前後審計公費金額及原因。
3. 審計公費較前一年度減少達 15%以上者，應揭露審計公費減少金額、比例及原因。

主管機關於 2012 年修正「公開發行公司年報應行記載事項準則」及「公司募集發行有價證券公開說明書應行記載事項準則」部分條文，重點在於：(1)強化有關薪資報酬委員會設置情形之資訊揭露；(2)強化揭露履行社會責任執行情形、誠信經營情形及採行措施之資訊揭露；(3)充分揭露與公司財務業務相關人士之辭職解任情形。修正實施後將強化公司治理運作情形等資訊揭露之透明度。

主管機關於 2015 年再次修正「公開發行公司年報應行記載事項準則」及「公司募集發行有價證券公開說明書應行記載事項準則」部分條文，重點在於：(1)強化董事及監察人酬金資訊揭露；(2)強化公司治理、企業社會責任及誠信經營運作情形之揭露。

4.6.4 關係企業的資訊揭露

公開發行公司應於每營業年度終了，編製關係企業合併營業報告書、合併財務報表及關係報告書(主要包括從屬公司與控制公間之交易往來、背書保證情形等)，以維護大眾交易安全，保障從屬公司少數股東及其債權人權益，促進關係企業健全營運（公司法§369-12）。

主管機關有鑑於集團企業之盛行，為使公司及其關係企業之資訊得以完整揭露給投資人參考，於 1999 年發布「關係企業合併營業報告書關係企業合併財務報表及關係報告書編製準則」，要求公司應製作下列三份報表：

- 關係企業合併營業報告書：內容包含關係企業組織圖、董事監察人與總經理之持股情形、關係企業業務往來分工情形、各關係企業財務狀況與經營結果等。
- 關係企業合併財務報表：公司應於編製年度財務報告時併同公開關係企業合併財務報表，內容包括各關係企業資金融通、背書保證、衍生性商品交易、重大或有事項、期後事項、持有票券及有價證券之情形。
- 關係報告書：其內容包括從屬公司與控制公司間之進貨與銷貨交易、財產交易、資金融通、背書保證等資訊。

4.6.5 資訊公開管道

資訊揭露之管道，主要為證交所或櫃買中心之公開資訊觀測站，投資人可透過此系統查詢公司最新財務業務資訊。投資人亦可至證基會圖書館、證交所、櫃買中心、中華民國證券商業同業公會等單位，參閱書面資料。此外，為便利外國投資人瞭解台灣證券市場現況，已架設英文版公開資訊觀測站（網址：http://emops.tse.com.tw/）供國外人士參考。「上市上櫃公司治理實務守則」更規定上市上櫃公司應架設網站，建置公司財務業務相關資訊，以利股東與利害關係人等參考，並要求網站需有專人維護，隨時更新資訊，避免誤導投資大眾。

4.6.6 資訊揭露評鑑系統

為提昇我國企業透明度，我國已於 2003 年起建置「資訊揭露評鑑系統」，每年針對國內上市（櫃）公司資訊揭露程度進行評鑑。該系統

的評鑑指標主要包括資訊揭露相關法規遵循情形、資訊揭露時效性、預測性財務資訊之揭露、年報之資訊揭露、網站的資訊揭露等五類，期能提升國內企業資訊揭露的透明度，俾利與國際接軌。

第 12 屆評鑑結果於 2015 年 4 月公布，受評上市公司計有 797 家，受評上櫃公司計有 596 家，評鑑結果分為 A++、A+、A、A-、B、C 以及 C-等 7 個等級公布。評鑑結果顯示，多數受評公司對於法規所要求的強制性揭露部分大都能遵行，各公司得分的主要差異性還是在於與自願性揭露有關指標的得分差異，此與國際間鼓勵企業增加自願性揭露的發展趨勢一致，相關作業內容與各屆結果可參考證基會網頁(http://www.sfi.org.tw/E/Plate.aspx?ID=112)，本評鑑自第 12 屆結果公布之後，已整併入公司治理評鑑。

4.6.7 公司治理評鑑系統

為協助投資人與社會大眾瞭解企業之公司治理情形，並有效提升我國公司治理水平，金管會於2013年12月發布「強化我國公司治理藍圖」中，認為有必要利用市場機制促進公司治理之提升，因而將辦理公司治理評鑑列為重點工作項目，希望透過對整體市場公司治理之比較結果，協助投資人及企業瞭解公司治理實施成效。

公司治理評鑑在金管會之督導下，由證交所協同櫃買中心負責規劃及撰擬評鑑指標，證基會設置「公司治理評鑑工作小組」，負責執行評核作業。評鑑每年辦理一次，第1屆評鑑結果於2015年4月出爐，除公布排名前20%之公司外，並於6月頒獎表揚排名前5%之公司。第2屆公司治理評鑑作業說明與評鑑指標已於2014年12月公布，並自2015年起就上市(櫃)公司該年度公司治理情形進行評鑑，預計於2016年4月公布評鑑結果。

此外，另有中華公司治理協會辦理「公司治理制度評量」，其評量制度係採收費制，由企業自願接受評量，經綜合評量達到認證標準之受評公司，由中華公司治理協會頒發證書。

4.7 歸入權

依證券交易法規定，歸入權是指發行股票公司董事、監察人、經理人或持有公司股份超過 10%之股東，對公司上市、上櫃、興櫃股票或公司發行具有股權性質之其他有價證券，於取得後六個月內再行賣出，或於賣出後六個月內再行買進因而獲得利益者，公司應請求將其利益歸於公司，其目的在藉由客觀機械式認定短線交易，解決舉證內線交易困難的問題，以收事前嚇阻之效果，並鼓勵公司內部人長期持有公司股票。

1988 年證券交易法第 157 條修訂後，證基會以股東身分督促各上市（櫃）公司董事會及監察人對內部人短線交易行使歸入權，或由其代位行使歸入權。2003 年 2 月 20 日正式成立「財團法人證券投資人及期貨交易人保護中心」，該中心將持續督促各上市（櫃）及興櫃公司，依證券交易法第 157 條規定，對其內部人因短線交易所獲致之利益尚未歸入公司者確實執行請求，每年執行成果詳見**附錄二**內部人短線交易歸入權案件概況表。

此外，為查核證券不法行為，主管機關已督導證交所及櫃買中心依其所定監視制度辦法，針對異常股票加強查核，如發現任何投資人涉及不法交易情事，即依相關規定辦理，以維護投資大眾權益。

5.強化公司治理藍圖

為加速推動公司治理，強化區域競爭力，並使外界明確瞭解我國公司治理未來規劃方向，金管會於 2013 年 12 月 26 日發布以 5 年為期之「強化公司治理藍圖」，並於往後採逐年滾動式修正。未來將透過完備法制、企業自律及市場監督三者共同力量，於未來積極推動五大計畫項目，包含形塑公司治理文化、促進股東行動主義、提升董事會職能、揭露重要公司治理資訊及強化法制作業，作為推動公司治理政策指引。

5.1 形塑公司治理文化

透過民間市場監督機制，促使公司及利害關係人重視公司治理。

5.1.1 成立公司治理中心

證交所於 2013 年 10 月成立公司治理中心，由金管會證期局、銀行局、保險局、經濟部商業司主管及各證券周邊單位首長組成諮詢委員會，負責審議重大公司治理業務之推動，並由證交所公司治理部負責規劃執行公司治理藍圖計畫各項具體措施。公司治理中心的設立目的主要係致力結合政府、民間、證券周邊單位及媒體之資源，透過法規及守則修改、專題研究、辦理評鑑、教育宣導、提供投資人交流管道等，引導企業強化公司治理，形成良好公司治理文化，並透過國際互動宣導我國公司治理成效提升國際形象與市場價值。

5.1.2 辦理公司治理評鑑

為加速推動我國上市櫃企業公司治理，金管會督導證交所公司治理中心建置「公司治理評鑑系統」，由公司治理中心組成評鑑委員會，擬訂評鑑指標及給分標準，並設評鑑小組負責初評，就上市（櫃）公司於網站、年報、公開資訊觀測站上揭露之公司治理相關事項、年度內發生之公司治理相關事件，以及股東會、董事會、獨立董事之運作或職權行使等予以評分，最後依分數排序，並將結果公布，供公司及投資人參考。

5.1.3 編製公司治理指數

證交所及櫃買中心挑選公司治理評鑑表現較佳之上市（櫃）公司編製公司治理指數，於 2015 年 6 月公布並定期更新，以激勵公司積極提升公司治理並可做為投資人選股之參考。

5.2 促進股東行動主義

便利股東參與或監督公司重大決策，並確保公司公平對待所有股東。

5.2.1 擴大實施電子投票

透過推動下列重要措施，鼓勵股東參與公司經營，進一步強化公司治理，循序漸進推動電子投票，使投票方式更具便利性及多樣性，股東可不受股東會召開時間與地域之限制，以落實股東行動主義:

- 研擬擴大強制電子投票適用範圍
- 推動電子投票平台業者與國際平台合作，規劃「跨國投票直通處理 STP（Straight Through Process）」，以利外國股東參與投票。
- 鼓勵政府基金及金管會管轄之金融機構大力支持及利用電子投票

5.2.2 提升股東會品質

為使股東會資訊更為透明，促使股東會召開作業公平公正，推動下列提升股東會決策品質之措施，以提升股東參與程度及保障其權益：

- 於推動電子投票之政策下，同時鼓勵採行股東會逐案票決，以利真實表達股東對議案支持之程度，作為董事會未來決策之參考
- 鼓勵外資持股較高之公司提供英文版股東會議事手冊
- 鼓勵董監事選舉採候選人提名制
- 改善股東會召開期程集中之情形
- 督導投保中心善盡股東監督責任，並請其積極蒐集市場資訊，彙整股東會可能具爭議之公司，規劃出席股東會，以監督公司股東會議事品質，維護股東權益
- 督促集保公司加強股務作業查核，並於未來年度配合市場狀況持續檢討股務內控標準規範

5.2.3 建置利害關係人聯繫平台

為促使公司正視股東意見，證交所及櫃買中心於規章中要求上市(櫃)公司建置公司網站並於網站設置利害關係人（stakeholder）專區，供其詢問及發表意見，公司並應適當回應。

要求機構投資人(如政府基金及本會所轄管金融機構)揭露其選股標準、對所投資公司關注之重點、參與股東會及投票之政策等，並落實執行，妥善監督管理機構投資人對公司治理事務之參與。

增加投保中心平時監督上市（櫃）公司之任務，建立其定期與公司治理中心會商之機制，以利其瞭解上市（櫃）公司近況、監督公司之運作，以求公司重視股東之聲音並積極回應股東之訴求，發揮事前保護股東權益之功能。

5.3 提升董事會職能

董事會應由適任人員擔任、提出策略性方針、對管理階層有效監督，以及對公司及股東負責。

5.3.1 擴大獨立董事及審計委員會之設置

為協助上市（櫃）公司與國際接軌，推動下列措施：

- 強制設置獨立董事：所有上市(櫃)公司完成獨立董事之設置；建議經濟部於公司法中增訂公司得自願設置獨立董事之相關法源依據，俾利非公開發行公司或特許事業自願設置獨立董事。
- 擴大強制設置審計委員會之範圍：分階段方式逐步擴大強制設置審計委員會的範圍，並就各董事會下之委員會成員資格及兼任問題予以一併考量及訂定配套措施。

5.3.2 強化董事會效能

有鑒於環境之變動與複雜度漸高，為使董事會成員有更多專業、技巧及經驗支持其決策，推動以下措施：

- 促進董事會成員多元化：協助上市（櫃）公司重視成員多元化之優勢，並落實執行。
- 鼓勵設置提名委員會：由公司治理中心蒐集他國董事會下提名委員會職權與功能之相關資料，發布提升提名委員會效能之參考範例、並將上市（櫃）公司設置提名委員會或強化提名選任制度之措施列為公司治理評鑑指標。

5.4 揭露重要公司治理資訊

即時、完整、正確揭露公司重要及必要資訊，包含企業誠信、社會責任執行情形等重要非財務性資訊及整合執法資訊之揭露等。

5.4.1 提升非財務性資訊之揭露品質

為協助企業詳實揭露實施企業履行社會責任及誠信經營情形之相關資訊，使公司適當表達辦理成果，俾利投資人瞭解，推動以下措施：

- 檢討修正「企業社會責任實務守則」及「誠信經營守則」。

- 修正公開發行公司年報及公開說明書之相關規定及附表，增訂應具體揭露之項目，要求上市（櫃）公司詳實揭露履行情形。
- 研議利用市場機制或措施，鼓勵上市（櫃）公司進一步落實企業社會責任及誠信經營。

5.4.2 整合違規及交易面異常資訊之揭露

為使投資人較易完整掌握公司法令遵循情況，將整合公司違規及交易面之異常資訊，以設置專區方式，於網站中整合揭露，並建置相關執法統計資料庫，做為說明執法成效、供其他上市（櫃）公司警惕，以及加強特定監理議題之參考。

5.5 強化法制作業

完備法規，並促使公司遵循公司治理相關規定。

5.5.1 建立公司內部控制之核心原則

為整合金融業及公開發行公司內部控制制度規範基本原則之一致性，並與國際接軌，研議訂定「建立內部控制制度核心原則」，作為金管會所轄管四部內部控制處理準則之參考原則，各業別內部控制制度處理準則即遵循此核心原則進行修訂。

5.5.2 強化股東權益保護事項

為保護股東權益，避免公司技術性阻撓小股東提名或提案，影響股東基本權益，暨加強管理關係人交易引發之爭議議題，推動以下措施：
- 證交所及櫃買中心透過其與上市（櫃）公司之契約關係，於上市上櫃公司資訊申報作業辦法中要求公司對於股東之提名或提案，應公告受理、審查與作業流程，以及未列入候選人名單(或議案)之理由；如無按照該作業辦法辦理，則處以違約金。
- 建議經濟部就股東提名權及提案權研訂相關保護措施。
- 證交所及櫃買中心研議強化關係人交易監理機制之相關可行措施，另訂定公司進行關係人交易參考範例或最佳實務供上市(櫃)公司參考，並對外宣導。

5.5.3 研修相關法規促使公司重視公司治理相關規定

為提高執法之有效性，促使公司遵守公司治理相關法規，研議對於違反證券交易法第 14 條之 6 設置薪資報酬委員會之規定，以及違反「公開發行公司獨立董事設置及應遵循事項辦法」、「公開發行公司審計委員會行使職權辦法」及「股票上市或於證券商營業處所買賣公司薪資報酬委員會設置及行使職權辦法」等規定之情形增加裁罰規定。

5.6 近期推動中之策略

公司治理藍圖以 5 年為期滾動式修正，各計畫預計實施與執行情形如下：

時程	推動措施	執行情形
2013	1.金管會辦理事項： (1) 發布令明定上市(櫃)公司均須設置獨立董事，資本額為新台幣 100 億以上之上市（櫃）公司應自 2015 年起依規定設置審計委員會，另資本額達新台幣 20 億元以上未達 100 億元之上市（櫃）公司應自 2017 年起依規定設置審計委員會。 (2) 檢討電子投票制度實施成效，督導集保公司規劃「跨國投票直通處理 STP（Straight Through Process）」。 (3) 持續鼓勵企業採行電子投票、推動政府基金或金管會所轄金融機構利用電子投票表達意見，提升我國企業電子投票之採行率。 2.請公司治理中心辦理事項： (1)規劃設置公司治理中心。 (2)完成第 1 屆公司治理評鑑委員會設置、指標及評分標準擬訂。	已完成
2013	3.請證交所及櫃買中心辦理事項： (1)完成網站中有關違規及交易面之異常資訊揭露。 (2)檢討調降股東會每日召開家數上限之可行方案。 (3)研議建立內部制度控制核心原則。 (4)與投保中心共同研議，透過上市(櫃)契約關係要求公司對股東之提名或提案，應有一定之審理作業程序，對違反者並處以違約金。 (5)研議強化關係人交易監理機制之相關可行措施。 (6)持續加強宣導股東會採逐案票決、提供英文議事手冊及董監事選舉採提名制。	

時程	推動措施	執行情形
2014 2014	1.金管會辦理事項： (1)完成「跨國投票直通處理 STP（Straight Through Process）」系統開發。 (2)完成訂定「建立內部控制制度核心原則」。 (3)修正公開發行公司年報及公開說明書相關規範及附表，增訂企業社會責任及誠信經營應揭露之具體項目。 (4)請政府基金及金管會所轄金融機構將公司治理列為其選股標準並予以揭露、持續關注所投資公司之治理情況及對外揭露其追蹤上市櫃企業公司治理之結果等。 (5)建議經濟部於公司法中增訂公司得自願設置獨立董事之相關規範。 (6)持續檢視證券交易法等相關法規裁罰規定，必要時請證交所及櫃買中心研提相關措施。 2.請公司治理中心辦理事項： (1)完成公司治理中心之設置。 (2)完成第 1 屆公司治理評鑑之初評。 (3)研議訂定董事會自我評鑑或同儕評鑑之相關參考範例。 (4)研議提名委員會職權、功能、運作等之參考範例。 (5)研議訂定上市櫃公司網站重要必要揭露事項參考範例。 (6)研議關係人交易參考範例或最佳實務供公司參考。 (7)研議建置相關執法統計資料庫。 (8)每年統計吹哨者檢舉情況、實際查核結果及發放獎勵之狀況，並據以檢討改進相關措施。 3.請投保中心辦理事項：參酌國際作法，提出強化其功能之機制。 4.請證交所及櫃買中心辦理事項： (1)修正「上市（櫃）公司治理實務守則」。 A.訂定董事會自我評鑑或同儕評鑑之項目。 B.規範董事會成員組成應注重成員多元化。 (2)修正「企業社會責任實務守則」及「誠信經營守則」。 (3)要求公司建置網站並設置利害關係人專區。 (4)研擬公司治理指數選股標準或指標。 (5)實施公司違反股東提名或提案審理程序之處理措施，並洽請經濟部共同研商於法令中就股東提名權及提案權明定相關保護規範。	已完成

時程	推動措施	執行情形
2015	1.金管會辦理事項： (1)就各董事會下之委員會成員資格及兼任問題予以一併考量及訂定配套措施。 (2)完成各業內部控制制度處理準則之修正。 2.請公司治理中心辦理事項： (1)公布第 1 屆公司治理評鑑結果（公布表現較佳公司）。 (2)研議下列項目是否列入公司治理評鑑指標： A. 董事會自我評鑑或同儕評鑑等之辦理情形。 B. 公司網站設置利害關係人專區之情形。 C. 公司促進董事會成員多元化之實施情形。 D. 公司設置提名委員會或改善董事提名制度情形。 E. 上市（櫃）公司履行企業社會責任及誠信經營情形。 3.請證交所及櫃買中心辦理事項： (1)視公司採行逐案票決、提供英文議事手冊及董監事選舉採提名制狀況，研議建請經濟部修正公司法規定或修正證券相關規範，改採強制措施。 (2)訂定公司治理評鑑結果與差異化管理機制連結之方式。 (3)鼓勵上市（櫃）公司進一步推動企業社會責任、誠信經營（如編製企業社會責任、永續發展或整合性報告書）。	已完成
2016	1.金管會辦理事項：檢討獨立董事及審計委員會等制度，並提出改善措施。 2.請公司治理中心辦理事項： (1)公布第 2 屆公司治理評鑑結果（公布一半以上之上市櫃公司評鑑結果）。 (2)就新增之公司治理評鑑項目予以宣導，並檢討指標。 3.請證交所及櫃買中心辦理事項：完成公司治理指數之編製及公布實施。	規劃執行中。 規劃執行中。 已於 2015 年提前完成。
2017	1.金管會辦理事項： (1)所有上市(櫃)公司完成獨立董事之設置，資本額為新台幣 100 億以上之上市（櫃）公司完成審計委員會之設置。 (2)強制資本額為新台幣 20 億元以上之上市（櫃）公司設置審計委員會，並研議後續推動全面強制實施之時程。 2.請公司治理中心辦理事項：公布第 3 屆公司治理評鑑結果（原則上公布所有上市櫃公司評鑑結果）。	規劃執行中

時程	推動措施	執行情形
2019	資本額為新臺幣 20 億元以上之上市(櫃)公司完成審計委員會之設置。	規劃執行中

資料來源：2013 強化我國公司治理藍圖，金融監督管理委員會

6.其他公司治理主要措施

我國證券市場之投資人以散戶居多，造成市場週轉率偏高，加上國人個性較為保守被動，因此政府在公司治理發展過程中，主管機關扮演一個領導者的角色，導引公司執行。

6.1 強化子公司監理

企業從事多角化經營而為轉投資行為，雖有利於企業拓展業務經營，惟為避免控制公司利用從屬公司，將控制公司股份收買或收為質物，形成母子公司交叉持股，新法增訂從屬公司不得將控制公司股份收買或收為質物（公司法§167）。而公司法第 179 條也規定，公司依法持有自己之股份，從屬公司所持有控制公司之股份，控制公司及其從屬公司與其他公司之從屬公司交叉持股之股份均無表決權。又主管機關於 2005 年、2007 年、2009 年、2011 年及 2014 年先後修正「公開發行公司建立內部控制制度處理準則」之規定，除修正公司內部控制制度聲明書相關內容，並強化公開發行公司對其子公司財務、業務監理之相關規範。

6.2 加強資訊揭露

6.2.1 加速年度財務報告公開時點

為加速財務資訊公開時程，2010 年 6 月修正證券交易法第 36 條，縮短年度財務報告公告申報期限，自公告申報 2011 年度財務報告起，上市(櫃)公司之年度財務報告應於會計年度終了後三個月內提出。

6.2.2 修正財務預測制度

為提昇預測資訊公開品質，並杜絕公開發行公司任意發布預測盈餘資訊，主管機關訂定有「公開發行公司公開財務預測資訊處理準則」，

規範公開發行公司得自願性公開其財務預測，不再強制要求初次上市（櫃）公司公開財務預測。公開方式有簡式財務預測與完整式財務預測兩種，並於該準則第 2 章、第 3 章各訂定此兩類格式之預測性資訊揭露項目與內容。

此外為防制應公開財務預測之公司公開不當之預測資訊，影響證券市場秩序，主管機關督導證交所及櫃買中心，除加強上市（櫃）公司財務預測編制之宣導作業，並透過公開資訊觀測站公開各公司財務預測紀錄，以藉由市場之監督機制，促使公司改善其財務預測編制品質準確度及時效性，並調整主管機關監理方式，加強對違失案件之查處。

6.2.3 整合公開發行公司公告管道

公司法第 28 條放寬公開發行公司的公告管道，不再限於傳統的刊登新聞方式，賦予透過網際網路公開資訊者之法律效力。為有效即時監控交易資訊，證交所及櫃買中心已完成線上監視系統資料庫之整合，將市場即時交易資訊與新聞、交易明細與模式、預警訊息、上市（櫃）公司與證券商基本財務業務資料等，整合於單一工作站，以加強資訊之即時性，並提供預警決策支援功能。

6.2.4 推動公開發行公司採用 XBRL 申報財務報告

XBRL（eXtensible Business Reporting Language）係一種針對商業報告所發展之標記語言，透過XBRL標準之建立，將財務報表不同會計科目及金額貼上電腦可辨識且共通的條碼標籤，可使各地區或國家之財務報表具有電子化共通語言，便於財務報告資訊的傳遞及分析比較。透過推動XBRL，可讓財務報告有共通語言，進而形成全球企業資訊供應鏈，讓企業、投資者，監理單位可以有取得、交換和分析各項資訊，減少資訊產製及使用的成本。國際主要證券市場目前皆致力推動以XBRL申報財務報告，美國、日本、韓國、新加坡及中國大陸皆已強制採用XBRL申報。

由金管會督導證交所及櫃買中心，參酌國外經驗，分階段推動上市（櫃）及興櫃公司以XBRL格式申報財務報告，第一階段已於2013年5月完成，全體上市(櫃)公司及興櫃公司以XBRL申報IFRSs財務報

告，申報內容包含財務報表、文字段財報附註、部分重要表格段財報附註及會計師查核報告；第二階段自2014年起繼續擴大以XBRL格式申報財務報告之範圍，上市(櫃)公司自申報2014年第1季財務報告起、興櫃公司自申報2014年第2季財務報告起，以XBRL格式申報財務報告之範圍，增加「會計師查核(核閱)報告」、「應收款項」、「關係人交易」、及「重大交易事項相關資訊--母子公司間重要交易往來情形」等4項附註內容，目前全體公開發行公司均已完成申報作業，有利一般投資人、專業投資機構、證券分析研究單位、金融機構及會計師事務所等參考利用。民眾可上公開資訊觀測站(http://mops.twse.com.tw)點選「XBRL資訊平台」專區查詢使用。

6.2.5 強化薪酬委員會及董監酬金資訊揭露

金管會為強化薪資報酬委員會運作之資訊揭露，於薪酬委員會職權辦法中規定，公司如有下列情事，應於事實發生之即日起算 2 日內於公開資訊觀測站辦理公告申報：

- 薪資報酬委員會成員之委任及異動。
- 董事會通過之薪資報酬優於薪資報酬委員會之建議。
- 薪資報酬委員會之議決事項，成員有反對或保留意見且有紀錄或書面聲明者。

另公司如有設置薪資報酬委員會者，並應依公開發行公司年報及公司募集發行有價證券公開說明書應行記載事項準則規定，於年報及公開說明書中揭露其組成、職責及運作情形。

金管會為強化董監酬金資訊揭露，於公開發行公司年報及公司募集發行有價證券公開說明書應行記載事項準則規定，公司應於年報及公開說明書揭露董事、監察人之酬金資訊；另自 2016 年起應於依法令規定之年度財務報告申報期限前，於公開資訊觀測站申報最近年度預計支付董事、監察人之酬金資訊，前揭董事分派之員工紅利以擬議數申報者，應另於每會計年度終了後十日內申報實際數。

6.3 強化企業會計制度

6.3.1 強化會計師查核責任

為強化公司財務報告及相關文件製作之管理，並落實會計師查核之民事責任，證券交易法第 20 條之 1 明定應為財務報告虛偽或隱匿情事負損害賠償責任之人員與責任範圍，並允許有價證券之善意取得人、出賣人或持有人得聲請法院調閱會計師工作底稿並請求閱覽或抄錄。

在執行面部分，主管機關持續加強查核上市（櫃）公司財務報告以監督會計師查核簽證品質。對於會計師違反義務、辦理簽證發生錯誤或疏漏者，均視情節輕重及案件性質依法懲處。

2007 年 12 月 26 日會計師法修正，修正重點包括新增法人會計師事務所、引進會計師專業責任保險、強化會計師公會之功能、強化會計師獨立性、合理規範會計師之違失責任及加強會計師事務所之管理等。另為強化主管機關對會計師事務所之管理，特增列主管機關得檢查辦理簽證公開發行公司簽證業務之會計師事務所，增訂對會計師事務所之處罰機制，以及會計師拒絕簽證之通報機制，應有助於抑制公司或會計師不當行為之發生。

6.3.2 推動IFRSs國際財務報導準則

國際財務報導準則（International Financial Reporting Standards，簡稱IFRSs）已逐漸成為全球資本市場之單一準則，直接採用國際財務報導準則（IFRSs Adoption）亦成為國際資本市場之趨勢。金管會審酌國際發展趨勢，為加強臺灣企業與國際企業間財務報告之比較性，提升臺灣資本市場之國際競爭力並吸引外資投資臺灣資本市場，同時降低國內企業赴海外籌資之成本，於 2008 年底決定推動臺灣企業採IFRSs 編製財務報告，公開發行公司已分別自 2013 年及 2015 年分階段全面採用 IFRSs。

執行成果：

(一) 公開發行公司如期產製IFRSs財務報告：公開發行公司自2013年及2015年起分階段全面接軌IFRSs，並已順利產製IFRSs財務報告，如期達成政策目標。

(二) 促進非公開發行公司採用IFRSs：經濟部參照IFRSs分別於2014

年6月18日及同年11月19日修正商業會計法及商業會計處理準則，暨配合訂定企業會計準則公報，自2016年起實施。

(三) 修正監理法規：監理法規調整計五十餘項，包括證券交易法、各業財務報告編製準則及相關監理規章等。

6.3.3 推動員工分紅費用化

為強化員工紅利相關資訊公開、維護投資人權益，公開發行公司有關員工分紅及董監酬勞之會計處理暨揭露，應依主管機關於 2012 年 12 月 28 日金管證審字第 1010059296 號令規定辦理：

一、 有關計算發放員工股票紅利之基礎，上市（櫃）公司應以股東會決議日前一日收盤價並考量除權除息之影響；非上市（櫃）之公開發行公司如自 2013 會計年度適用國際財務報導準則，應依上市（櫃）公司規定辦理，若無市價，應依國際財務報導準則第 2 號（IFRS 2）「股份基礎給付」之規定以評價技術等方式評估公允價值；非上市（櫃）且未適用國際財務報導準則之公開發行公司應以最近一期經會計師查核之財務報告淨值為計算基礎。

二、 財務報告附註應揭露以下資訊：

（一） 章程所規定員工分紅及董監酬勞之成數或範圍，並敘明可自公開資訊觀測站等管道查詢董事會通過及股東會決議之員工紅利及董監酬勞相關資訊。

（二） 本期估列員工紅利及董監酬勞金額之估列基礎、配發股票紅利之 股數計算基礎，及實際配發金額若與估列數有差異時之會計處理。

（三） 前一年度員工分紅及董監酬勞之實際配發情形（包括配發股數、金額及股價），其與認列員工分紅及董監酬勞有差異者並應敘明差異數、原因及處理情形。

三、 於董事會及股東會通過擬議盈餘分派議案時，應於公開資訊觀測站與股東會議事手冊揭露決議通過之員工紅利及董監酬勞等相關資訊，包括：

（一） 董事會通過擬議盈餘分派議案者：

1. 擬議配發員工現金紅利、股票紅利及董監酬勞金額。
2. 若董事會擬議配發員工現金紅利、股票紅利及董監酬勞金額與認列費用年度估列金額有差異者，應揭露差異數、原因及處理情形。

（二）　業經股東會議決盈餘分配議案者，應揭露決議內容，若與董事會擬議分配金額有差異者，應揭露差異數、原因及處理情形。

6.4 鼓勵機構投資人參與公司治理

主管機關藉開放證券投資信託公司、證券投資顧問公司設立及開放基金全權委託投資業務，透過引進國內外專業投資機構投資我國證券市場、引進信用評等及建立投資人服務與保護機制等措施，建立外部制衡機制。

在鼓勵機構投資人提昇公司治理品質方面，中華民國證券投資信託暨顧問商業同業公會已分別訂定該公會「證券投資信託事業證券投資顧問事業公司治理實務守則」、「證券投資信託事業基金經理守則」及「證券投資顧問事業從業人員行為準則」，供證券投資信託公司、證券投資顧問公司遵循。

然而，受限於公司法規定同一法人對股東會議案只能有同一種意見之限制（公司法§181），金管會業已與經濟部達成共識，完成公司法修訂，開放法人股東分割投票，使同一機構法人可以依投資人意願，分配贊成、反對及棄權三種意見之比重進行投票，也可進一步引導上市（櫃）公司普遍使用通訊投票，俾利機構法人在公司重大議題與決定董監人選議案上發揮監督力量。

針對電子投票，金管會依 2012 年 1 月 4 日修正發布之公司法第 177 條之 1 授權，規範應採電子投票之公司範圍，公司規模達資本額 100 億元以上及股東人數同時達 1 萬人以上之上市（櫃）公司，召開股東會應採電子投票。金管會並於 2013 及 2014 年陸續發布命令，擴大公司應採電子投票之適用範圍，針對應將電子方式列為表決權行使管道之公司實收資本額由新臺幣 100 億元調降至 50 億元，再由 50 億元調降至 20 億元，並自 2016 年起實施。此外，主管機關已要求自 2016 年起掛牌之上市（櫃）公司，應於公司章程載明將電子方式列為股東表決權行使管道之一。

6.5 加強董事、監察人、內部稽核人員於任期內之持續進修

為使上市上櫃公司董事、監察人持續充實新知，提升其專業知能與法律素養，證交所與櫃買中心特訂定「上市上櫃公司董事、監察人進修推行要點」，規定新任者於就任當年度至少宜進修 12 小時，續任者任期中每年至少宜進修 6 小時，進修範圍涵蓋公司治理主題相關之財務、風險管理、業務、商務、法務、會計、企業社會責任等課程，或內部控制制度、財務報告責任相關課程。我國積極推動董事、監察人於任期內持續進修制度，責成證基會規劃董事、監察人法律、財務及會計進修之相關課程，提供董事、監察人之進修資訊，證交所、櫃買中心並將定期查核董事、監察人之進修情形，由證基會定期彙整建檔。

此外，金管會為提高公開發行公司內部稽核人員進修時數，根據「公開發行公司建立內部控制制度處理準則」第 17 條第三項所規定內部稽核人員之進修時數規定，細節如下：（一）初任公開發行公司之內部稽核人員應自擔任稽核工作之日起半年內，參加經金管會指定之專業訓練機構所舉辦之稽核相關業務專業訓練課程 18 小時以上。（二）內部稽核人員每年應參加指定之專業訓練機構所舉辦之稽核相關業務專業訓練課程 12 小時以上，或參加在政府機構所舉辦之內部稽核課程，或在大學以上學校研習與內部稽核有關並可取得學分或結業證明之課程 12 小時以上者。因此，為強化公開發行公司內部稽核人員專業能力，並提升內部稽核功能及執行之成效，金管會提高公開發行公司初任及在職內部稽核人員進修時數各 6 小時；即初任內部稽核人員於到職半年內進修 18 小時，在職內部稽核人員應每年進修 12 小時。

6.6 內部控制制度及財務業務專案查核

為督促公司管理階層重視內部控制制度，並強化對子公司之監理，主管機關於 2002 年將原「公開發行公司建立內部控制制度實施要點」及「會計師執行公開發行公司內部控制制度專案審查作業要點」相關規定，以證券交易法第 14 條之 1 第 2 項規定為法令授權依據，整併訂定「公開發行公司建立內部控制制度處理準則」，以督促公開發行公司建立內部控制制度，俾透明化其營運及財務資訊，強化其經營風險之控管，並藉此達成提昇公司營運效果及效率、保障公司資產安全及維護股東權益之目的。2005 年為落實公開發行公司年度稽核計畫

機制，參考美國沙氏法（Sarbanes- Oxley Act of 2002）及公開公司會計監督委員會(PCAOB)發布之審計準則第二號公報規定，增訂財務報導之可靠性目標包括確保對外之財務報表係依照一般公認會計原則編製，交易經適當核准等。此外，要求公開發行公司內部控制制度應包括「關係人交易之管理」及「財務報表編製流程之管理」之控制作業，並要求會計師受託執行首次辦理股票公開發行公司之內部控制制度專案審查，應就上述控制作業及「對子公司之監督與管理」訂定相關作業程序表示意見。

此外，由於 2008 年金融危機帶來之衝擊，主管機關特別針對企業內部控制中風險控管部分予以強化，並於 2009 年 3 月 18 日修正「公開發行公司建立內部控制制度處理準則」，增加公司在評估相關風險後，應決定風險要如何回應，在選擇回應方式時，應綜合考量風險評估結果、風險偏好及風險承擔能力。

其次，為落實內部控制制度，強化內部稽核人員代理人專業能力，以提昇及維持稽核品質及執行效果，增訂「上市上櫃公司治理實務守則」第 3 條第 5 項及第 6 項條文，明訂上市上櫃公司應設置內部稽核人員之職務代理人，提升內部稽核人員代理人專業能力，落實內部控制制度，強化公司治理。

為落實薪資報酬委員會之運作管理、確保適用國際財務報導準則之公開發行公司能順利導入並提升財務報導品質、暨確立內部控制制度組成要素，金管會業於 2011 年 12 月 21 日修正「公開發行公司建立內部控制制度處理準則」及「證券暨期貨市場各服務事業建立內部控制制度處理準則」部分條文。

另參酌美國 COSO 委員會 2013 年發布之「內部控制-整體架構」更新報告及配合國內實務需要，金管會於 2014 年 9 月修正「公開發行公司建立內部控制制度處理準則」、「證券暨期貨市場各服務事業建立內部控制制度處理準則」部分條文，修正重點包括：1、修正內部控制制度三大目標之財務報導目標為報導目標及五大組成要素之相關內涵；2、新增審計委員會議事運作管理、落實所屬產業法令遵循、智慧財產權管理、股務作業管理、個人資料保護管理等納入控制作

業；3、強化產品安全、環境安全及職業安全等相關控管事項；4、增訂內部稽核人員不得提供或收受不正當利益，並明定公司應設置內部稽核人員之職務代理人；5、放寬各服務事業內部稽核主管得為兼任之規定。

6.7 督促公司重視並落實執行公司治理

為協助證券商、期貨商建立良善之公司治理機制，證交所、櫃買中心及中華民國證券商業同業公會業已參酌「上市上櫃公司治理實務守則」之內容，於 2003 年 1 月制訂「證券商公司治理實務守則」；另臺灣期貨交易所股份有限公司與中華民國期貨商業同業公會亦於 2003 年 3 月 26 日頒布「期貨商公司治理實務守則」，供證券商、期貨商參考遵循。而公司治理亦擴大至證券投資信託與證券投資顧問事業，由中華民國證券投資信託暨顧問商業同業公會於 2003 年 5 月 9 日公布「證券投資信託事業證券投資顧問事業公司治理實務守則」，推動該等行業之公司治理，以保障該等事業股東與投資人(受益人)之權益。其他金融產業也紛紛制訂適合其業種特性之公司治理規範供業內遵循，如各相關單位已發布之「金融控股公司治理實務守則」、「銀行業公司治理實務守則」及「保險業公司治理實務守則」等。

藉由投資人、專業投資機構等外在力量，給予公司適當壓力，促使公司經營階層注重公司治理機制之建立，以有效執行公司治理。為達到宣導效果，主管機關建置中英文版公司治理專屬網頁（網址：http://www.sfb.gov.tw/en/home.jsp?id=25&parentpath=0,8）提供公司治理相關規定與疑義解答，並要求證券週邊單位各依需要建置中英文版宣導網頁以供外界查詢，以下列出各機構網址供參：

1. 證交所(http://cgc.twse.com.tw/frontEN/index)
2. 櫃買中心 (http://www.tpex.org.tw/web/regular_emerging/governance/corporate_governance_01.php?l=zh-tw)
3. 投資人保護中心(http://www.sfipc.org.tw/main.asp)
4. 證基會(http://www.sfi.org.tw/index.aspx)
5. 中華公司治理協會(http://www.cga.org.tw/default.aspx)
6. 中華民國內部稽核協會(http://www.iia.org.tw/)
7. 中華民國企業永續發展協會(http://www.bcsd.org.tw/)

6.8 推動企業社會責任及誠信經營

企業社會責任(Corporate Social Responsibility，簡稱CSR)泛指企業在創造利潤、對股東利益負責的同時，還要考量對所有利害關係人的造成的衝擊，以兼顧經濟繁榮、社會公益及環保永續。

全球金融海嘯之發生，突顯公司企業誠信經營之重要性。金管會除督導證券相關單位擬定上市上櫃公司誠信經營守則外，並請其每年安排研討會、座談會或訓練，宣導董事（含獨立董事）責任及提醒公司可能違反規定情形或不法態樣等，供公司經營階層參考。為凝聚上市(櫃)公司誠信經營共識，強化公司治理及倡導企業社會責任，金管會、法務部、臺灣證券交易所股份有限公司及財團法人中華民國證券櫃檯買賣中心共同舉辦「誠信經營與企業社會責任座談會」等相關活動，藉由邀請企業主分享相關實務經驗及執行效益之情形，引導企業逐步落實誠信經營理念進而善盡企業社會責任。具體作法如下：

1.上市(櫃)公司加強宣導公司治理及企業倫理觀念

(1)督導證交所、櫃買中心、證基會及中華公司治理協會等單位加強宣導公司治理之觀念，以落實企業經營者責任，並舉辦推動企業倫理宣導座談會或研討會，透過政策宣導及教育訓練課程，讓觀念普及。

(2) 為導引我國上市（櫃）公司董事、監察人及經理人之行為符合道德標準，證交所及櫃買中心於2004年11月11日訂定「上市上櫃公司訂定道德行為準則參考範例」，以引導上市上櫃公司遵循辦理。

(3) 證交所及櫃買中心每年辦理大型「上市上櫃公司誠信經營與企業社會責任座談會」，邀請公司分享企業社會責任落實經驗，並安排與會者之意見交流。平常該等單位亦辦理相關小型研討會，協助企業參考國際規範，擬訂公司內部規章及落實執行。

(4)證交所及櫃買中心於其網站設置「企業社會責任專區」，除教育企業如何履行企業社會責任外，並按議題提供企業分享其如何履行企業社會責任之案例及負面教材，亦撰擬指引提供企業作為提升競爭力、履行相關責任及撰寫企業社會責任報告書之參考。

2.提供上市(櫃)公司履行企業社會責任實務守則

(1)公開發行公司應於年報及公開說明書揭露企業履行社會責任之

情形，內容包括：公司對環保、社區參與、社會貢獻、社會服務、社會公益、消費者權益、人權、安全衛生與其他社會責任活動所採行之制度與措施及履行情形。

(2)「上市上櫃公司治理實務守則」規定上市（櫃）公司應重視公司之社會責任，公司治理評鑑系統已將公司履行社會責任之情形（包括節能減碳、員工福利與退休、供應商管理等）列為評鑑項目。

(3)為協助上市（櫃）公司實踐企業社會責任，並促進經濟、社會與環境生態之平衡及永續發展，證交所與櫃買中心於2010年2月6日共同制定「上市上櫃公司企業社會責任實務守則」，以供企業遵循。

3.發布實施「上市上櫃公司誠信經營守則」

(1) 為提供上市（櫃）公司建立良好商業運作之參考架構，以協助其建立誠信經營之企業文化及健全發展，金管會督導證交所及櫃買中心於2010年9月3日發布實施「上市上櫃公司誠信經營守則」，俾供上市（櫃）公司遵循辦理。

(2) 上市（櫃）及興櫃公司應於年報及公開說明書揭露履行誠信經營情形及採行措施。

(3) 為協助上市（櫃）及興櫃公司董事、監察人、經理人、受僱人及具有實質控制能力者於執行業務時有所遵循並落實誠信經營，金管會督導證交所及櫃買中心於2011年8月12日發布實施「○○股份有限公司誠信經營作業程序及行為指南」參考範例，俾供上市（櫃）及興櫃公司訂定自身之誠信經營相關作業程序及行為指南。

4.強制編製企業社會責任報告書

金管會已於2014年9月18日要求國內上市(櫃)之食品工業及餐飲營收佔50%以上之公司、金融業、化學工業及股本達新臺幣100億元以上之公司，應自2015年起每年編製企業社會責任報告書，以進一步檢視其履行社會責任之情形並揭露成果，俾利害關係人知悉，自2017年起股本達新臺幣50億元以上之公司也適用上述規定。台灣企業推動企業社會責任之重要歷程詳見表三。

表三：台灣企業社會責任重要推動歷程

年度	項目

2008	金管會開始制定社會責任揭露之規範
2010	發布企業社會責任守則、誠信經營守則
2011	每年辦理「上市上櫃公司誠信經營與企業社會責任座談會」
2013	強化公司治理藍圖 證交所成立公司治理中心
2014	強制上市(櫃)公司編製企業社會責任報告書

資料來源: 公司治理中心網站(http://cgc.twse.com.tw/front/responsibility)

6.9 投資人保護機制

6.9.1 證券投資人及期貨交易人之保護機制

「財團法人證券投資人及期貨交易人保護中心」(投保中心)係依「證券投資人及期貨交易人保護法(投保法) 」設立，業務範圍包括申訴調處、團體訴訟、代表訴訟、解任訴訟、償付等，另以股東身分行使股東權踐履股東行動主義精神，關注發行公司涉有投資人權益及公司治理議題。該中心成立以來推動各項投資人保護及服務工作，對督促公司治理、維護股東權益有重大助益。

投保法第 28 條規定，為保護公益，於保護中心章程所定目的範圍內，對於多數證券投資人或期貨交易人受損害之同一原因所引起之證券、期貨事件，得由 20 人以上證券投資人或期貨交易人授與訴訟或仲裁實施權後，以投保中心名義，起訴或提付仲裁。此外，民事訴訟法第 41 條，亦有「多數有共同利益之人，選定一人或數人為全體起訴」之規定，故我國制度允許股東自行提起集體訴訟。

另外，金管會為保障投資人行使股東權益，避免股東會召開日期過度集中，函請證交所及櫃買中心，於 2010 年 1 月 31 日前完成「上市、上（興）櫃公司股東常會開會日期事前申報機制」系統建置，並向上市、上（興）櫃公司進行宣導說明。

再者，為利國內投資人知悉國際證券管理機構組織（IOSCO）提供之投資警訊，金管會已請中華民國證券商業同業公會於其網站中建置「國際投資警訊」專區，並於 2010 年 6 月 1 日正式上線（網址：http://web.twsa.org.tw/alert），揭露各國證券期貨主管機關有關非法金

融機構、未經核准金融商品或詐騙行為等。同時金管會證券期貨局、中華民國證券投資信託暨顧問商業同業公會及中華民國期貨業商業同業公會等機構之網站亦可連結該查詢專區，籲請投資人充分利用，避免受不肖機構或人員詐騙、買賣非法境外金融商品而蒙受損失。

6.9.2 金融消費者之保護機制

為保護金融消費者權益，公平、合理、有效處理金融消費爭議事件，以增進金融消費者對金融市場之信心，並促進金融市場之健全發展，我國已於 2011 年 6 月 29 日經總統公布制定「金融消費者保護法」(下稱金保法)，並經行政院核定於 2011 年 12 月 30 日施行。

另外，金管會已依金保法第 4 條、第 8 條至第 10 條、第 13 條、第 14 條、第 18 條、第 23 條、第 24 條等條文之授權，於 2011 年 12 月 12 日發布訂定「專業投資機構範圍及法人、自然人應符合一定財力或專業能力之條件」、「金融服務業從事廣告業務招攬及營業促銷活動辦法」、「金融服務業確保金融商品或服務適合金融消費者辦法」、「金融服務業提供金融商品或服務前說明契約重要內容及揭露風險辦法」、「金融消費爭議處理機構設立及管理辦法」及「金融消費爭議處理機構評議委員資格條件聘任解任及評議程序辦法」等六項授權規定。

再者,由金管會依金保法第 13 條第 1 項及第 14 條規定捐助成立之「財團法人金融消費評議中心」(下稱評議中心)已自 2012 年 1 月 2 日起正式運作，為金融消費者提供訴訟外公平合理、迅速有效、專業之紛爭解決途逕。金融消費者與銀行業、證券業、期貨業、保險業等金融服務業間因金融商品或服務所生之民事爭議，得依金保法第 13 條第 2 項所定程序向評議中心申請評議。有關評議中心之評議業務及相關法令規章，可參閱該中心網頁訊息，網址為：http：//www.foi.org.tw。

6.10 主管機關之執法權

證券交易法已訂有證券主管機關之調查及對違法案件之相關行政處分、刑事責任等相關規範。「金融監督管理委員會組織法」第 5 條規定，金融監督管理委員會(即金管會)得要求金融機構及其關係人與公開發行公司提示有關帳簿、文件及電子資料檔等資料，或通知被檢查

者到達指定辦公處所備詢。另對有金融犯罪嫌疑之案件，得報請檢察官許可，向該管法院聲請核發搜索票。是以，2004 年 7 月 1 日金管會成立後，證券主管機關之調查及制裁權力已更進一步提升。(「金融監督管理委員會組織法」已於 2011 年 6 月修正公布，並自 2012 年 7 月 1 日施行，行政院金融監督管理委員會更名為「金融監督管理委員會」。)

為發揮股東代表訴訟監督的功能，公司法將請求監察人為公司對董事提起訴訟門檻，由持股 5%，降為 3%（公司法§214）。而證交法第 181 條之 1 規定，法院為審理違反證交法之犯罪案件，得設立專業法庭或指定專人辦理，以確保證券交易不法案件由具有市場專業的人士來審理。司法院已於 2008 年 8 月在台北地院成立三個金融專業法庭，此外，法務部也已建立「財務金融專業三級證照」制度，2010 年 7 月 1 日起，檢察官、檢察事務官、調查人員需取得法務部認證的中級以上證照，才可辦經濟犯罪。

6.11 加強公司辦理股務作業之管理

為維護股務作業之公正性，保障股東權益，金管會採取下列措施：

1. 督導證交所及櫃買中心2012年12月28日公告修正「有價證券上市審查準則」、「證券商營業處所買賣有價證券審查準則」、「證券商營業處所買賣興櫃股票審查準則」等相關規章，規定自2013年1月2日起掛牌之上市、上(興)櫃公司應委託股務代理機構辦理股務事務，不得收回自辦；已委任專業股務代理機構辦理股務之登錄興櫃公司，股務事務亦不得收回自辦。
2. 金管會於2013年4月11日修正股務處理準則，增訂第3條之2至第3條之4，加強上市、上(興)櫃公司股務作業管理，重點如下：
   (1)公司將股務收回自行辦理，應經股東會決議通過，並向金管會指定之機構申請核准。
   (2)公司更換代辦股務機構，應經董事會決議通過，並向金管會指定之機構申報備查。
   (3)公司繼續一年以上，持有已發行股份總數 3%以上之股東或財團法人證券投資人及期貨交易人保護中心，對公司辦理股東會事務有損害股東權益之虞時，得向臺灣集中保管結算所申請由代辦股務機構辦理當次股東會事務。

附錄一 公司治理重要紀事（2014/10 ~2015/11）

日期	重要事項	參考索引
2014/11/12	金管會發布命令擴大「公司應採電子投票之適用範圍」。	6.4
2015/1	自 2015 年起，上市（櫃）及興櫃公司每日召開股東常會家數限額由 120 家調降為 100 家。	4.5.3
2015/1	證交所與櫃買中心要求自 2016 年起新上市櫃公司須將電子方式列為股東表決權行使管道之一，並載明於章程。	4.5.1.2 6.4
2015/1	集保結算所自 2015 年起提供「跨國投票直通處理 STP（Straight Through Process）」服務，改善外資股東參與我國股東會投票作業，並提昇整體市場跨國投票作業之執行效率。	4.5.1.2
2015/3/4	為了強化股東會委託書管理，以及遏止價購委託書及強化不法行為之查核，金管會修正委託書規則。	4.5.2
2015/4/2	公司治理中心公布第 12 屆資訊揭露評鑑結果	4.6.6
2015/4/30	公司治理中心公布第1屆公司治理評鑑結果	4.6.7
2015/6/29	證交所與櫃買中心分別公告「臺灣公司治理指數」與「櫃買公司治理指數」	5.1.3
2015/10	證交所及櫃買中心，規範新上市櫃公司於章程載明董事及監察人選舉採候選人提名制度。惟 2016 年 6 月底前申請者，倘因召開股東會作業不及而尚未完成章程之修正，應出具至遲於 2016 年 6 月底前召開之股東會完成章程修正之承諾；至於自 2016 年 7 月 1 日後申請者，則應於申請前完成章程之修正。	4.5.1.4
2015/10	證交所與櫃買中心擴大「公司應編製企業社會責任報告書之適用範圍」	6.8

附錄二　內部人短線交易歸入權案件概況表

案件年度\類別	案件總數	應行使金額	總結案數	已歸入金額	未結案數	催促行使	進入法律程序	申復
八十三年下半年度	84	80,270,024	84	77,717,537	0	0	0	0
八十四年上半年度	57	20,495,283	57	18,659,741	0	0	0	0
八十四年下半年度	129	63,325,559	129	54,518,849	0	0	0	0
八十五年上半年度	117	107,710,560	117	108,273,342	0	0	0	0
八十五年下半年度	98	64,898,557	98	45,031,101	0	0	0	0
八十六年上半年度	228	118,576,472	228	95,685,050	0	0	0	0
八十六年下半年度	192	147,126,764	192	73,396,806	0	0	0	0
八十七年上半年度	176	826,821,959	176	71,959,757	0	0	0	0
八十七年下半年度	177	159,294,237	177	39,336,860	0	0	0	0
八十八年上半年度	205	117,010,423	205	116,991,611	0	0	0	0
八十八年下半年度	211	107,650,778	211	71,889,755	0	0	0	0
八十九年上半年度	245	130,138,611	245	98,212,117	0	0	0	0
八十九年下半年度	196	103,238,355	196	86,983,461	0	0	0	0
九十年上半年度	174	31,406,328	174	29,676,038	0	0	0	0
九十年下半年度	147	52,568,653	147	52,536,780	0	0	0	0
九十一年上半年度	199	83,614,103	199	82,224,588	0	0	0	0
九十一年下半年度	152	22,839,593	152	22,839,593	0	0	0	0
九十二年上半年度	174	13,318,701	174	13,318,701	0	0	0	0
九十二年下半年度	328	38,155,725	328	37,716,964	0	0	0	0
九十三年上半年度	418	51,208,992	418	50,484,927	0	0	0	0
九十三年下半年度	217	36,288,868	216	30,707,884	1	0	1	0
九十四年上半年度	175	22,761,464	175	22,761,464	0	0	0	0

案件年度\類別	案件總數	應行使金額	總結案數	已歸入金額	未結案數	催促行使	進入法律程序	申復
九十四年下半年度	185	34,611,647	185	34,611,647	0	0	0	0
九十五年上半年度	146	52,025,132	146	52,025,132	0	0	0	0
九十五年下半年度	179	135,934,128	179	132,517,740	0	0	0	0
九十六年上半年度	208	61,118,071	208	61,079,199	0	0	0	0
九十六年下半年度	183	48,118,041	182	46,463,357	1	0	1	0
九十七年上半年度	194	48,240,524	193	48,233,169	1	0	1	0
九十七年下半年度	144	38,480,353	143	36,756,370	1	0	1	0
九十八年上半年度	151	27,580,261	150	27,565,472	1	0	1	0
九十八年下半年度	162	74,573,302	162	74,573,302	0	0	0	0
九十九年上半年度	164	66,515,440	164	66,515,440	0	0	0	0
九十九年下半年度	154	32,266,863	154	32,266,863	0	0	0	0
一〇〇年上半年度	155	34,195,685	155	34,195,686	0	0	0	0
一〇〇年下半年度	136	51,886,978	136	51,886,978	0	0	0	0
一〇一年上半年度	114	19,520,853	114	19,520,853	0	0	0	0
一〇一年下半年度	100	16,180,352	100	16,180,352	0	0	0	0
一〇二年上半年度	125	16,195,182	124	15,781,271	1	0	1	0
一〇二年下半年度	163	50,950,570	162	32,284,951	1	0	1	0
一〇三年上半年度	144	43,184,614	144	43,184,614	0	0	0	0
一〇三年下半年度	135	15,313,898	134	15,294,792	1	1	0	0
總計	7,041	3,265,611,903	7,033	2,141,860,114	8	1	7	0

註 1：本表之總結案數包括已歸入結案案件，申復同意免行使案件與公司已依法取得法院債權憑證之案件。

註 2：本表之已歸入金額八十六年以前為應行使金額暨利息之加總,八十七年以後為應歸入金額暨申復同意免行使金額之加總。

Corporate Governance in Taiwan

Securities and Futures Institute
December, 2015

Background of the Book

Knowing that inadequate corporate governance is identified as the key fact that Asian corporations could not link to world financial markets efficiency, Taiwan Authority, Financial Supervisory Commission (FSC), has emphasized the importance of advocating corporate governance to public companies since 1998. The Executive Yuan established the "Corporate Governance Reform Task Force" and published the "Accountability of Companies in Taiwan: Policy Agenda and Action Plan to Strengthen Corporate Governance" as the basis for the implementation of corporate governance in 2003.

All relevant government agencies have consistently revised statutes and regulations, promoted corporate governance. Securities and Futures Institute (SFI), founded as a quasi-public organization for research, training and promotion for market development, together with Taiwan Stock Exchange (TWSE), Taiwan's computerized over-the-counter market (known as GreTai Securities Market, GTSM), and Corporate Governance Association（CGA）, adapt to strengthen the system of independent directors, audit committee, etc. Over the past few years, we also established and promoted "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" in Taiwan. To enable clear and better understanding on the future policy and plans for good corporate governance in Taiwan, the FSC has published the "Corporate Governance Roadmap 2013" as a guidance. The Roadmap proposed thirteen substantive measures to achieve the following five goals: cultivating corporate governance culture, promoting shareholder activism, enhancing board functions, disclosing material corporate governance information and improving regulatory practices. As of now, we can see effects in the implementation of corporate governance in Taiwan. To further improve the standard of corporate governance among corporations in this country, the FSC tasked the TWSE to establish the Corporate Governance Center in Taiwan in 2013.

To promote awareness about good corporate governance to the public, the SFI, under the request of the Authority, has published "Corporate Governance in Taiwan," an introduction to enhance our corporate governance experience since December 2001. To facilitate quick access, the SFI also provided the web version of the Chinese-English "Corporate Governance in Taiwan" for free downloads online. Meanwhile, the SFI updates corporate governance policy in "Corporate Governance in Taiwan" yearly. We hope that the information contained in this book will keep you fully informed about recent critical Corporate Governance issues in Taiwan.

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1 Preface

The concept, **corporate governance**, is a mechanism to improve board oversight. In 1997 there were numbers of scandals and corruption within Asian financial markets that led to severe Asian financial crises. Inadequate corporate governance system has been concluded the major reason suffering the serious consequences on the Asian financial crises. The impact arising from Enron and Corporate America has now put the issue under a spotlight. Therefore, the attention to enhance corporate governance is being emphasized hence after. Furthermore, OECD, in its ministerial meeting as of 1998, also pointed out the lack of corporate governance has been one of the root causes of the recent Asian financial crisis.

The Asian financial crises provide lessons for Taiwan to esteem the importance of corporate governance. Knowing that inadequate corporate governance is identified as the key fact that Asian corporations could not build the competition in world financial markets, Taiwan securities regulator (Financial Supervisory Commission or FSC) has tried its best to emphasize the importance of advocating corporate governance to public companies since 1998. It believes that greater transparency as to corporate governance is needed for enterprises to control risk. Securities and Futures Institute (SFI), founded as a quasi-public organization for research, training and protecting investors, together with Taiwan Stock Exchange (TWSE), Taipei Exchange (TPEx), and Corporate Governance Association（CGA）, introduce the system of independent directors, audit committee, etc. They also established and promoted "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" in Taiwan (detail contained on the website: http://eng.selaw.com.tw/FLAWDAT01.asp?LSID=FL020553).

FSC have adopted many new policies to strengthen Taiwan's corporate governance, restore corporate integrity and protect investors during the financial crisis of 2008 to the present. Taiwan government has also embarked on significant reforms to the Company Act and Securities and Exchange Act designed to make our corporate governance environments stronger and rebuild the new financial order in the Post Financial Tsunami Era. The reforms primarily include mandatory cumulative voting regime upon the election of directors and supervisors, introduction of restricted

stock, exercise of split voting rights, audit committee required of listing companies, compensation committee required of listing companies, and e-voting mandatory for top listed companies. To enhance the implementation of Taiwan's corporate governance policies, the FSC has published "Corporate Governance Roadmap" on December 26, 2013. The TWSE has established Corporate Governance Center to conduct major projects under the Roadmap. One of the major projects in 2014 is to establish Corporate Governance Evaluation System, and the year-round evaluation of corporate governance will be carried out for all TWSE/ TPEx listed companies. **Appendix I** outlines events processing in 2014/10-2015/11.

2. Concept of Corporate Governance

2.1 Definition

Corporate governance has become an important global topic, one that has been receiving a great deal of focus in the Asian region. To respond, Taiwan has quickened the pace of reform. With the passage of the "Corporate Governance Roadmap 2013" by the Executive Yuan, the Financial Supervisory Commission (FSC) has shown Taiwan's determination for implementing corporate governance reform by guiding the path of its development over the next five years. In addition to establishing a clearer and more enforced regulatory framework, as well as updating Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies, TWSE has also established its Corporate Governance Center. The center consolidates the resources of the government, private sector, related securities parties, and the media to actively converse with listed companies, investors, and society, thereby shaping corporate governance culture. With the reliance on the reform methods launched by authorities in the past, enterprises may gain a deeper understanding of corporate governance value, and spontaneously utilize non-regulatory corporate governance measures to strengthen corporate competitiveness, as well as enhance Taiwan's international standing in corporate governance.

2.2 OECD Principles of Corporate Governance

First released in May 1999 and last revised in 2015, the G20/OECD Principles of Corporate Governance has become an international benchmark for policy makers, investors, corporations and other stakeholders worldwide. The Principles are organized into the six broad areas:
(1) Ensuring the basis for an effective corporate governance framework;
(2) The rights and equitable treatment of shareholders and key ownership functions;
(3) Institutional investors, stock markets, and other intermediaries;
(4) The role of stakeholders;
(5) Disclosure and transparency;
(6) The responsibilities of the board.

2.3 Taiwan Benchmarking Development in Corporate Governance

Taiwan has been educating public companies on the importance of corporate governance since 1998. The Executive Yuan formed the "Corporate Governance Reform Task Force" on January 7, 2003 to study various issues of corporate governance for drafting the "Corporate Governance Policy Doctrine and Action Plans", which then became the basis of promoting corporate governance. Under those action plans, the Taiwanese government promoted and implemented various policies, such as practices enhancing the independence of the Board, incentives for incremental establishment of functional committees in corporate boards, issues of corporate governance best practices, measures promoting electronic voting, improvements on the decision-making process and disclosure of related party transactions, introduction of investors protection measures, and more transparent corporate information.

The OECD outlines 6 reform priorities for taking Asian corporate governance to a higher level and reminds Asian countries to work on implementation so that it can keep pace with amendments of laws and regulations, and that principles of corporate governance can be fulfilled. To enable clear and better understanding on the future policy and plans for good corporate governance in Taiwan, the Taiwanese government issues the Roadmap as guidance. The Roadmap is also designed for helping businesses grow in a healthy and sustainable way so that they can increase market confidence and Taiwan's international competitiveness. **Table 1** is the timeline for Taiwan corporate governance development**.**

Table 1：Timeline for Taiwan Corporate Governance Development

Year	Item
1998	Corporate governance promotion started
2002	Independent director requirement for IPO and release Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
2003	Formation of the Corporate Governance Reform Task Force and release the Action Plans by Executive Yuan
2005~ 2010	✓ Amendments to the Company in 2005 and Securities Exchange Act in 2006. ✓ Release Corporate Social Responsibility Best Practice Principles in 2010
2013	Corporate governance Roadmap announced by the FSC and Corporate Governance Center established by TWSE

Source: Corporate Governance Center Website
(http://cgc.twse.com.tw/frontEN/aboutCorpgov)

3. Framework of Corporate Governance in Taiwan

3.1 Regulatory Framework of Corporate Governance

In the year following the 1997 financial crisis in Asia, a series of corporate fraud cases and distressed debt broke out in Taiwan. In 1998, OECD's Council of Ministers declared that "strengthening corporate governance" was essential for enterprises to withstand crises. In the United States, the 2001 Enron case prompted Congress to launch the "Sarbanes–Oxley Act" to serve as a measure for actively regulating businesses. Similarly, the authorities of Taiwan have been propagating the importance of corporate governance to domestic corporations since 1998. Taiwan gradually started to promote the use of independent directors, an audit committee system, and codes of practice related to corporate governance to implement the concepts of corporate governance in domestic corporations. In 2006, amendments were made to the Company Law and the Securities and Exchange Act to empower corporate governance principles through legislation. Additionally, authorities have been proposing even more measures to further improve Taiwan's corporate governance system, the laws of which are mainly structured within the Company Law, Securities and Exchange Act, and relevant

regulations regarding listed companies set by the TWSE and TPEx.

3.1.1 Company Law

Company Law serves as the regulatory foundation for corporate governance, overseeing the operations of shareholders' meetings, board of directors, and supervisors. Following international trends, this law has introduced rules on restricted stock, split voting rights, electronic voting, and other regulations, constructing an environment attractive for international investments. Furthermore, the law mandates a board of directors to adopt cumulative voting processes in elections to fulfill corporate governance responsibilities.

3.1.2 Securities and Exchange Act

The administration and supervision of the offering, issuance, and trading of securities issued by public companies are governed by the Securities and Exchange Act. Only matters not specified in the Securities and Exchange Act fall under the Company Law and other regulations. On January 11, 2006, amendments to the Securities and Exchange Act were announced introducing a system of independent directors and audit committees, as well as strengthening the functions, structure, and operations of a board of directors. By the power vested in them through the act, securities authorities are able to issue ordinances regarding the administration of public companies, such as "Regulations Governing Appointment of Independent Directors and Compliance Matters", "Regulations Governing the Exercise of Powers by Audit Committees", and "Regulations Governing Procedure for Board of Directors", and "Regulations Governing Establishment of Internal Control Systems by Public Companies". Securities & Exchange Act was made on November 24, 2010 to require all TWSE/ TPEx listed companies establishing remuneration committees (§14-6 Securities & Exchange Act). This act hopes to implement the functions of a board to promote shareholder activism, assist the healthy development of enterprises, and improve international competitiveness.

3.1.3 Listing regulations

To increase the efficiency for enforcing laws, and to encourage

companies to comply with corporate governance regulations, TWSE and TPEx specified their criteria for the review of securities listings in 2002. An IPO company must set up an independent director and meet certain qualifications. Furthermore, regulations, such as "Corporate Governance Best Practice Principles", "Code of Practice for Corporate Social Responsibility", and "Code of Practice for Integrity Management" were subsequently announced for domestic enterprises to follow. These will guide enterprises in strengthening their sense of corporate governance and social responsibility, establishing a consensus on integrity management, constructing a corporate governance culture, and creating mutual values.

3.2 Regulatory Device

The basic regulatory model of corporation in Taiwan is a two-tier structure that consists of Board of director, Supervisor(s) and Shareholder's Meeting. The Board of directors, holds discretionary powers from the delegation of shareholders, also performs the functions of management. Shareholders, as owners of the corporation, elect directors and supervisor(s) by the Shareholder's Meeting. Shareholders' meeting retains the power to reshuffle the director who abuses the delegate discretionary power that meant to maximize the shareholders interest. Supervisor monitors improprieties directors, also audit managerial execution of business activities.

The Amendment of Securities & Exchange Act on January 11, 2006 was made to the whereby an audit committee system was introduced as an alternative to the current statutory Supervisor (§14-4 Securities & Exchange Act). The FSC on December 31, 2013, acting on the authority of Article 14-4 of the "Securities and Exchange Act," adopted a set of rules setting out the range of companies that are subject to the requirement to establish an audit committee. At the same time, the FSC require TWSE/ TPEx listed companies shall appoint independent directors (§14-2 Securities & Exchange Act).

In view of the fact that remuneration systems constitute an important aspect of corporate governance and risk management, an amendment to Securities & Exchange Act was made on November 24, 2010 to require all TWSE/ TPEx listed companies establishing remuneration committees

(§14-6 Securities & Exchange Act).

3.3 Characteristics of Corporate Governance in Taiwan

3.3.1 Taiwan's Market Features

Taiwan government had set up a securities regulator (FSC) and a stock exchange (TWSE) in the early 1960s. The Securities Law was enacted in 1968. In line with the internationalization and liberalization of the securities market, the FSC has been directed to set up a specialized institute (known now as Securities and Futures Institute, SFI) to plan, design, and promote market related activities in 1984. A Taipei Exchange (TPEx) was established in the early 1990s. In addition, the second board （known now as Emerging Market） was set up in 2002 to offer growing enterprises an avenue to raise capital.

The TWSE and TPEx markets are extremely liquid and volatile. Average annual turnover rates have surpassed 200% in recent years. At the end of September, 2015, there were 866 firms listed on the TWSE, and the capitalization level of the TWSE-listed companies was NT$ 23,896.9 billion. Meanwhile, the number of TPEx-listed companies was 698, with a capitalization level of NT$ 2,402.4 billion. In 2014, the ratio of market value of listed shares to GDP is about 167%.

3.3.2 Trend of Separating Ownership and Control

Small- and medium-sized enterprises (SMEs) are the majority corporation style in Taiwan, constituting over 90% of total companies. The board members in SMEs tend to be family-related, which means companies in Taiwan do not have significant numbers of outside shareholders who are not members of the family or business associates. Important decisions are actually taken by the "family board". Even when the company is growing bigger and goes public, family-control is still a dominant characteristic in large corporations. Mostly, the shareholding of listed companies is still under the control of the family. There are both advantage and disadvantage in family-controlled business. The advantage is having a strong leadership and cohesive management team formed by the family members. The disadvantage is companies, dominated by one businessman or one family, tend to grant the right of governance over the company for

the benefit of their own interests and abusing minority shareholders.

As the transformation from traditional labor-intensive industries to high-tech companies since early 1980s, Taiwan has revealed a demanding trend towards separation of ownership and control. The major explanation is that high-tech companies need to share ownership with scientists, engineers and managers so as to stay competitive.

3.3.3 Environment of Group Operation

Most businesses in Taiwan started from a primary industry and gradually diversified into other segments afterwards. Diversification would bring business expansion, efficiency, strategic alliance, and risk segregation for them. They may use cross-shareholding of affiliated companies to strengthen their control of listed companies. They may even obtain external financing through bank loans or capital markets. However, over-reliance on using stocks as collateral to leverage has created a hidden financial risk in a number of listed companies.

3.3.4 Cross Shareholding Scenario

Before 2001, there was no provision prohibiting cross shareholding between parent and subsidiary companies in Taiwan's Company Law; therefore, manipulation of the legal framework sometimes occurs. Subsidiary companies are set up as investment companies and buy a great deal of their parent companies' shares in the stock market. When the subsidiary companies are elected as directors or supervisors of the Board of parent companies, the individual directors or supervisors sell their holdings but remain on the Board and participate in decision making as representatives of the subsidiary companies. To avoid the manipulation of the legal framework, subordinate company shall not redeem or buy back any of controlling company shares, nor accept any of them as security under the 2001 amended company law. In 2005, an amendment was made to Company Law whereby a company shall have no voting power in respect of the share issued by itself and in its own possession (§179 Company Law). Furthermore, the amendment to the Securities & Exchange Act promulgated on January 11, 2006 contained the provisions to strengthen the independence for director and supervisors. According to the new provisions, where institutional investors acts as a shareholder,

Governmental or institutional investors may not assign representative be elected as a director or supervisor of the company at same time (§26-3 Securities & Exchange Act). Moreover, the 2011 Company Law Amendment also is restricted different representatives of the same institutional shareholders from being elected director and supervisor irrespectively (§27II Company Law).

3.3.5 Development of Foreign Investment

Foreign investment in portfolio or securities is more short-term oriented. Foreign direct investment usually has more long-term impact on economic development and brings in technology as well as employment to invested countries. Therefore, it is generally considered more beneficial to invite foreign direct investment than foreign investment in securities.

Taiwan opens its securities market for foreign investment in three stages. It first allows foreign investment in securities market through investment fund indirectly in 1982. Then, it opens the market for foreign institutional investors in 1990. In 1996, all foreign institutions and individuals are allowed to invest in Taiwan's securities market. Meanwhile, due to growing production costs since mid-1980s and shortage of labor, Taiwan's business started shifting some of its production facilities overseas. PRC and ASEAN countries are two primary regions for Taiwan's foreign direct investment.

In order to achieve a higher standard of transparency, the Authority promulgates additional rules, which requires listed companies to disclose the information of their foreign investment and foreign direct investment in PRC.

3.3.6 Passive Role Player of Institutional Investor

Individual investors, constituting almost 53% of trading volume, are the major participants of Taiwan stock market. Conversely, institutional investor owns only a minor portion. Based on the **Table 2** below, at the end of September, 2015, foreign Institutional Investors owns about 28.6%, domestic institutional investor holds 18.8%, and domestic individual stockowners holds 52.5%. The investment decisions of individual

investors are generally superficial and easily affected by market sentiment, resulting in a high turnover rate in the market. Moreover, individual shareholders often waive their right to have a voice in company operations due to either their overly small shareholding or to less cohesiveness among the majority of the small shareholders. Consequently, the governing bodies of public companies have neglected the importance of strong corporate governance.

Table 2: Type of Investors and Trading Value Ratio in the Centralized Market

Year	Domestic Institutional Investors (%)	Foreign Institutional Investors (%)	Domestic Individual Investors (%)	Foreign Individual Investors (%)
2001	9.7	5.9	84.4	0
2002	10.1	6.7	82.3	0.9
2003	11.5	9.4	77.8	1.3
2004	11.6	10.9	75.9	1.6
2005	15.4	14.5	68.4	1.7
2006	11.0	16.2	70.6	2.2
2007	13.0	17.6	67.3	2.1
2008	14.0	22.1	61.7	2.3
2009	11.6	16.4	72	0
2010	13.6	18.4	68	0
2011	15.4	21.8	62.7	0
2012	15.4	22.6	62	0
2013	16.2	24.6	59.2	0
2014	17.4	23.8	58.8	0
2015.01~2015.09	18.8	28.6	52.5	0

Source: Indicators of Securities & Futures Markets, ROC (Taiwan), Securities & Futures Bureau, Financial Supervisory Commission, October 15, 2015.

In addition, as institutional investors are restricted by regulations in terms of their shareholding limit or holding period, they play passive role in corporate governance. Although government has a policy to increase the role of institutional investors, which share of ownership is still limited and not able to promote corporate governance concept. Institutional investors in Taiwan play quite different role with that of other country. In the developed countries, such as US, UK, the institutional investors usually are those strong advocates for better corporate governance. They persist on higher standards of corporate governance in companies they

invest. Some institutions even have set their own corporate governance standards as a measure for making their investment decisions.

3.4 Present Issue of Corporate Governance in Taiwan

Taiwan corporations have the features of family-controlled listed company, potential risk of cross-shareholding, and passive role players of institutional investor. Especially, family control demonstrates a dominant characteristic of large corporations in Taiwan. In many companies, the largest family holds more than half of the board seats. Thus, they have substantial control over decision-making and agendas in Shareholders Meetings. Under this structure, there is not sufficient check-and-balance mechanism in corporate board and top management. More precisely, if the owner/executive commits moral hazard to take advantage of the company, general stakeholders, or minority shareholder, there would be no effective control mechanism to prevent it from happening. Therefore, the bottom-line corporate governance issue for Taiwan today is to find solutions to avoid wrong doings of the manger that shirks responsibility or embezzles corporate assets for personal use.

In Taiwan, Board of directors and Supervisors are the important organs designed to hold managers accountable to capital providers for the misuse of firm assets. As the growth in the size of businesses, the separation of ownership from control is demanding in Taiwan. Separation of ownership and control is associated with professional management. The risk of management refers to the managers that may govern the corporation to their own interest rather than the interest of the corporation and shareholders/owners. The challenge to corporate governance needs to reduce professional managers' act for self-dealing.

4. Implementation of Corporation Governance

4.1 Board of Director

Under the OECD Principles of Corporate Governance, the corporate governance framework should ensure the strategic guidance of the company, the effective monitoring on managements and the board's accountability to the company and the shareholders. Taiwan fulfills these principles through the following regulations in company law and

securities law.

4.1.1 Composition

4.1.1.1 Size of the Board

Board should be comprised of at least three directors who are elected by the shareholders' meeting from among the persons with disposing capacity (§192 Company Law). In the case of public companies, Boards should include at least five directors (§26-3 Securities & Exchange Act). The election of directors should adopt cumulative voting system under the 2011 amendment to the company Law (§198 Company Law). A company may elect standing directors from among the directors while the number of director has reached nine. During the recess of the board of directors, the standing directors shall regularly exercise the power and authority of the board of directors in accordance with laws and regulations, Articles of incorporation, and resolutions of the meeting of shareholders (§208 Company Law).

Reforms have been undertaken to introduce the concept of the independent director. According to the listing rules of TWSE/TPEx, every public company applying for listing should have at least two independent directors and one independent supervisor since 2002. And, at least one independent director must be an accounting or finance expert. Public companies may appoint independent directors in accordance with its articles of incorporation under the 2006 Securities & Exchange Act amendment. The Authority, however, shall as necessary in view of the company's scale, shareholder structure, type of operations, and other essential factors, require it to appoint independent directors, not less than two in number and not less than one-fifth of the total number of directors (§14-2 Securities & Exchange Act). The FSC thereby issues independent director requirements entitled “Scope of the Public Companies Required to Appoint Independent Directors” Furthermore, FSC expands the applicable scope of mandatory establishment of independent directors in 2013. Any TWSE-listed or TPEx-listed company should appoint independent directors during 2015 to 2017

4.1.1.2 Independence

I. Board Structure

To strengthen the board structure, the Amendment of Securities & Exchange Act on January 11, 2006 required that Board should have at least five directors. Except where the Competent Authority has granted approval, the following relationships may not exist among more than half of a company's directors: (1) A spousal relationship; (2) A familial relationship within the second degree of kinship. In addition, except where the Competent Authority has granted approval, a company shall have at least one or more supervisors, or one or more supervisors and directors, among whom no relationship under the preceding subparagraphs exists (§26-3 Securities & Exchange Act).

Under the authorization of Section §14-2, Securities & Exchange Act, the FSC promulgated "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and prescribes an independent director of a public company may not have been or be an employee or any affiliated person (i.e. board members, executive officers) of the company or any of its affiliates. (Rule §3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies")

II. Independent Director Criteria

The Rule mentioned above also prescribes the criteria for an independent director candidate, candidates shall meet one of the following professional qualification requirements, and with at least five years work experience:

- An instructor or higher in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college, or university;
- A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company.
- Have work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company.

A person to whom any of the following circumstances applies may

not serve as an independent director, or if already serving in such capacity, shall ipso facto be dismissed.

A person to whom any of the following circumstances applies may not serve as an independent director, or if already serving in such capacity, shall ipso facto be dismissed:

- Any of the circumstances in the subparagraphs of Article 30 of the Company Act.
- Elected in the capacity of the government, a juristic person, or a representative thereof, as provided in Article 27 of the Company Act.
- Any violation of the independent director qualification requirements set out in these Regulations.

III. The Independency

According to Section 3 of the Rule, any of the following conditions falls on the part of persons in the last two years before the board member election or in service of his/her independent director term, he or she should not participate the independent director election or acting as an independent director.

- Being an employee of the company or its affiliated companies.
- Being a director, supervisor of the company or its affiliated companies. However, independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary is allowed to hold the same positions in its holding company and subsidiary.
- Directly or indirectly holding 1% or more of the total outstanding shares of the company, or being one of the top ten natural person shareholders of the company.
- Being a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.
- Being a director, supervisor, or employee of a juridical person shareholder that directly or indirectly holds 5% or more of the total outstanding shares of the applicant company or being a director, supervisor, or employee of one of the top five juridical person shareholders.
- Being a director, supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution that has financial or operational interactions with the company.

- Being a professional, an independent contributor, a partner, or a company, or an executive director, partner, director, or manager of an institutional consortium or the spouse of same that provides financial, business, or legal or consulting services to the company or an affiliated enterprise of same. The same does not apply, however, in cases where the members of remuneration committee exercise administrator in faithfully performing the official powers under Article 7 of "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter"
- Concurrently serving as the independent director of a company shall not serve as the same position in four or more other enterprises.

Furthermore, where a person serving as independent director of the listed company, he or she has to receive at least three-hour training per year to acquire professional knowledge in the areas of law, finance, or accounting and obtain the relevant certification documents.

4.1.1.3 Board Nomination System

The 2005 Amendment of Company Law introduces a nomination system for the directors of the board. Adoption of the public companies with Candidates of Board Nomination System under the revised Company Law is optional. Election of Supervisors is subject to the same nomination system (§192-1, §216-1 Company Law).

To assure the election of independent directors preclude the interference from the management or major shareholders, the Rule requires independent directors election shall adopt the new candidate nomination system to allow the shareholders who hold at least 1% shares owns the nomination right besides the company.

4.1.2 Duties and Responsibilities

Company law in Taiwan grants directors the authority to exercise their power broadly. All matters may be decided by resolutions of the board of directors, unless this Law or Articles of incorporation provide that certain matters shall be resolved at the meeting of shareholders. Besides, Board should operate on the basis of collective responsibility. While conducting business, the board of directors shall act in accordance with laws and

regulations, the Articles of incorporation, and the resolutions of the shareholders meeting (§193, §202 Company Law). Generally speaking, the Board is responsible for ensuring compliance with laws and regulations, as well as avoiding conflict of interest, and supervising the management performance. The board of directors should establish rules governing the procedures for special transactions, such as mergers, acquisitions and other capital transactions in the company. Taiwan's contains no explicit provision on directors' fiduciary duty but duty of care for years. In consequence, the misconduct cases happened in 1998-99 had been referred to criminal enforcement. Company law amendment 2001 makes it clear that any responsible person of a company, while conducting the business of the company, should act with duty of care and duty of loyalty. The director holds the legal liability if his act to company breach of trust (§23 Company Law).

In addition, the 2006 Amendment request companies adopt the rules for proceedings of board meetings to enhance the efficiency of Board (§26-3 Securities & Exchange Act). The Amendment also require the following matters should be carried out pursuant to a resolution of the board of directors (§14-3 Securities & Exchange Act).

- reviewing and assessing internal control processes under §14-1 Securities & Exchange Act
- disposition or transfer of material assets, borrowing a substantial amount, establishment under §36-1 Securities & Exchange Act
- review directors/supervisors conflict of interest conflict of interest
- review transaction of material assets or derivatives
- review major borrowing, endorsement or guarantee
- review raise capital, issue or private placement of securities with the nature of equity shares
- appointment and discharge of internal auditor
- review and assessing the appointment, independence of external auditor
- review and assessing the appointment of directors of financial department, accounting department, and internal auditor
- review other relevant businesses approved by the Competent Authority

To strengthen the role of the board of directors while paying attention to the need for board meetings to operate efficiently, FSC amended

"Regulations Governing Procedure for Board of Directors Meetings of Public Companies" on August 22, 2012. For greater board meeting transparency, the amended regulations required if donations to related parties, and all material corporate donations to nonrelated parties, must be submitted to the board of directors for discussion and when the board of directors is preparing to deal with an agenda item that involves a director's personal interests or those of his/her representative, that director must explain the nature of the personal interests to the board. In addition, a new provision has been added to the Regulations allowing directors to express opinions and answer questions at board meetings regarding matters in which they are an interested party, but requiring that they rescue themselves from formal discussions and votes on such matters. Furthermore, public-held companies and service enterprise shall also include in its internal control system the management of procedure for board of directors meetings under the requirements of " Regulations Governing Establishment of Internal Control Systems by Public Companies" and " Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets".

4.1.3 Mechanisms for Controlling Board

To avoid managerial abuse, there are some check-and-balance designs in Taiwan's Company Law and Securities & Exchange Act.

- **Request the Board to stop unlawful act.** When the board of directors in executing its business has violated law and regulations, or the Articles of incorporation, the supervisor or any shareholder who has continuously held his shares for a period of one year or longer shall immediately notify or may request the board to terminate such acts.（§194, §218-2 Company Law）
- **Discharge disqualified directors.** A director may, by a resolution adopted at a meeting of shareholders, be removed from office at any time.（§199, §200 Company Law）
- **Avoid conflict of interest.** While acting the same business with the company for himself or others, a director needs to secure the approval from the shareholders meeting. If he fail to do so, such earnings deriving above should be treated those of the company (§ 209 Company Law).

- **Filing a lawsuit.** Shareholders who have continuously held 3% of shares for one year or longer may request a supervisor to file an action against a director for the company. If the supervisor fails to do so within thirty day, the shareholders may file an action himself for the company (§212, §214 Company Law).
- **Limitation on self-trading**. When a director is engaged in a negotiation with the company on his own account or on behalf of others, the supervisor shall be the representative of the company (§ 206, §223 Company Law).

4.1.4 Independent Directors database

To improve public companies implementing the appointment of independent directors and independent supervisor, at the request of SFC, SFI has established and maintain "the Registry of Independent Directors Database". The qualifications to register in the database include both independence and professional. Therefore, public companies may select the right independent directors either by themselves or by searching from this database as a reference.

4.1.5 Disclosure of Share Transactions by Directors and Controlling Shareholders

Regarding insiders' share transactions, the FSC requires all the public companies to follow up the following measures:

1. Pre-filing
   According to Article 22-2 of the "Securities & Exchange Act", the transfer of stocks by the directors, supervisors, managers, or shareholders holding more than 10% of the total shares of an issuer under this Act shall file an effective registration with the Competent Authority and on a centralized exchange market or an over-the-counter market. The calculation of shares held by shareholders mentioned above shall include those shares held under the names of their spouses, minor children and those held under the name of other parties.

2. Ex post facto filing
   According to Article 25, Paragraph 2 of the "Securities & Exchange Act", the stockholders referred to in the preceding Paragraph shall file,

by the fifth day of each month, a report with the issuer of the changes in the number of shares they held during the preceding month. The issuer shall compile and file such report of changes with the Competent Authority by the fifteenth day of each month.

3. Pledge contract filing
   According to Article 25, Paragraph 4 of the "Securities & Exchange Act", when the shares referred to in the first Paragraph hereof are pledged, the pledgor shall make immediate notification to the issuer; the issuer shall inform the Competent Authority of such pledges within five days of their formation, and publicly announce such pledge.

Moreover, Article 18 and 19 of the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" requires a controlling shareholder of any TWSE/TPEx listed company shall comply with the following provisions:

1. Shall bear a duty of good faith to other shareholders and shall not directly or indirectly cause the company to be engaged in transactions at other than arm's length or involved in a management conduct for illegal profit.
2. Shall follow the rules implemented by its company with respect to the exercise of rights and participation of resolution, so that at a shareholders' meeting, the representative shall exercise his/her voting right for the best interest of all shareholders and in good faith and exercise the fiduciary duty and duty of care of a director or supervisor.
3. Shall comply with relevant laws, regulations and the articles of incorporation of the company in nominating directors or supervisors and shall not act beyond the authority granted by the shareholders meeting or board meeting.
4. Shall not improperly intervene on corporate policymaking or obstruct corporate management activities.
5. Shall not restrict or impede the management or production of the company by methods of unfair competition such as monopolizing corporate procurement or foreclosing sales channels.

A TWSE/TPEx listed company shall ensure the command at any time of information on the identity of major shareholders, who own a higher percentage of shares and have an actual control over the company, and its

ultimate control persons. The major shareholder indicated in the first paragraph refers to those who owns five percent or more of the outstanding shares of the company or the shareholding stake thereof is on the top ten list, provided however that the company may set up a lower shareholding threshold according to the actual shareholding stake that may control the company.

Although "Securities & Exchange Act" requires shareholders who acquire more than 10% of the total issued shares of a public company shall file a statement with the Competent Authority, not above 5%. The FSC had promulgated "Criteria Governing Information to be Published in Public Offering and Issuance Prospectuses" and "Criteria Governing Information to be Published in Annual Reports of Public Companies" to require the annual report shall list all shareholders with a stake of 5% or more, or shall list the top 10 shareholders, specifying the number of shares and stake held by each shareholder on the list. If the disclosed institutional shareholder is a director or a supervisor of the company, shall disclose their controlling shareholders. The annual reports and prospectus could be looked up from the website: http://emops.twse.com.tw/emops_all.htm.

4.2 Supervisor System

There will be two types of corporate governance legal framework for public companies in Taiwan: a Supervisor system consisting of general meeting of shareholder, the board of directors, Supervisor, and a audit committee system consisting of general meeting of shareholder, the board of directors, and audit committee. The selection is left to individual companies with limited exception (§14-2, 14-4 Securities & Exchange Act).

4.2.1Composition

I. Number

According to Article 216 of Company Law, at least one supervisor shall have a domicile within the territory of the Republic of China. The number of supervisors should be not less than two in public companies. TWSE listed companies' supervisors should include at least three members who

lack significant family and business relationships with directors.

II. Criteria

Before the 2001 amendment to the Company Law, supervisor was elected from the shareholders. The amendment in 2001 has abolished the limitation. Supervisors in Taiwan are responsible for monitoring directors and management. Independence is a determinate factor for them to play their roles effectively. Therefore, a supervisor shall not concurrently be the director, manager, or employee of the company (§222 Company Law). In case of multiple representatives assigned by the government or institutional investors, they shall not be concurrently elected or serve as directors and supervisors under the Amendments of 2011 Company Law and 2006 Securities and Exchange Act (§26-3 Securities and Exchange Act, §27 Company Law), At least one supervisor of the applicant company are not mutually related with any one director or supervisors in the relations listed above (§26-3 Securities and Exchange Act).

Supervisors in public company should include at least three members who lack significant family and business relationships with directors. If more than two-third of them have affiliation, there would be lack of independence. Affiliation exists between (1) Spouse; (2) Linear relatives by blood within the third degree of relationship; (3) Collateral relatives within the fourth degree of relationships; (4) The representatives of the same juristic person; or (5) affiliates (§9(12) TWSE Listing Rules, §17 Supplementing Rules to TWSE Listing Rules).

4.2.2 Duties and Responsibilities

The functions of Supervisors in Taiwan are equivalent to the Audit Committee of that in the United States. They should provide an important internal mechanism for holding directors and management accountable. Thus, supervisors fulfill their duties by providing an independent and objective review of the financial reporting process, internal controls and the audit function. Supervisors in Taiwan can wield significant oversight power and are potentially powerful.

- **Individually exercise duties.** Supervisors may exercise their duties individually (§221 Company Law) in the following matters: (1)

Supervisors shall make a thorough investigation into the application of the company (§146 Company Law); (2) A supervisor may at any time investigate the business and financial condition of the company, examine books(§218 Company Law); (3) A supervisor shall check and investigate all statements and records (§219 Company Law); (4) A supervisor shall immediately notify the board to terminate improper business. (§218-2 Company Law); (5) Check the property where the company issues new shares (§274 Company Law); (6) Examination the balance sheet and inventory the liquidator sends (§ 326 Company Law); (7) Examination all statements and records of accounts the liquidator sends (§331 Company Law).

- **Act on behalf of the company.** The supervisor shall act on behalf of the company, such as in case of a lawsuit between the company and a director (§213, §214 , §218 , §219 Company Law).
- **Convene shareholders meeting**. A supervisor may, when deemed necessary or was ordered by the court, convene a meeting of shareholders (§214, §245 Company Law).
- **Attendance of Supervisors in the Board of Directors** (§218, §218-2 Company Law).

Supervisors were granted the right by Company Act to exercise their supervisory power independently. However, some supervisors do not exercise this power properly and spontaneously. Under the supervision of FSC, TWSE and TPEx jointly promulgated sample handbook for supervisors of public companies to act their right.

4.2.3 Mechanisms for Supervisors

There are some check-and-balance designs in Taiwan's Company Law to make sure a supervisor execute his/her duties faithfully.

- **File a lawsuit against supervisor.** The meeting of shareholders may resolve to file a lawsuit against supervisor (§225, §227 Company Law)
- **Discharge disqualified supervisor.** While performing his duties, if supervisor has done any act causing great loss or damage to the company, or any act in serious violation of law and regulations or the Articles of incorporation, a shareholder that satisfies shareholding requirement may file a suit (§200 Company Law).

- **Joint liability.** A supervisor shall be liable to compensate the company for any loss or damage resulting from negligence in performing his duty of supervision. If a supervisor is liable to compensate the company or a third party and a director is also liable, such supervisor and director shall be a joint creditor (§8, §23, §224, §226 Company Law).
- **Shareholding requirement**. The FSC required the supervisor of public companies to hold certain amount of the company ’s stock, and to disclose ownership information of supervisor, including shareholding percentage of supervisor and change of supervisor ’s share holding (§26 Securities & Exchange Act).

The Company Law allows institutional or government shareholders to appoint their representatives as directors and supervisors, and this inherent conflict of interests essentially against the rules that a supervisor shall not concurrently be the director of the company. The affiliation between Supervisor and major shareholders has also weakened their functions. Besides, the duties and responsibilities are really burdensome for an inexperienced one to handle. Therefore, to increase independent outside supervisor should be an improvement to upgrade the corporate governance environment.

4.3 Audit Committee

The January 2006 Amendment of Securities & Exchange Act provides an alternative system that replaces Supervisors with audit committee system. In order to keep in line with global trends, strengthen internal control mechanisms and shareholder interests in Taiwan, and reap the benefits of sound corporate management, the FSC on February 20, 2013, acting on the authority of Article 14-4 of the "Securities and Exchange Act," adopted a set of rules setting out the phases that companies are subject to the requirement to establish an audit committee. Under the rules, the following must establish an audit committee in lieu of a supervisor: (1) any publicly traded financial holding company, bank, bills finance company, insurance company, securities investment trust enterprise or integrated securities firm; (2) any TWSE-listed or TPEx-listed company outside the financial sector that has paid-in capital of NT$50 billion or more. Further, the FSC on December 31, 2013, issuing executive order to extend the scope for the companies required to establish an audit

committee. The rule increases the following must establish an audit committee and sets up the timetable: (1) any publicly traded securities investment trust enterprise or integrated securities firm, any TWSE-listed or TPEx-listed futures commission merchants, and any TWSE-listed or TPEx-listed company outside the financial sector that has paid-in capital above NT$10 billion and below NT$50 billion should establish an audit committee during 2015 to 2017; (2) any TWSE-listed or TPEx-listed company outside the financial sector that has paid-in capital above NT$2 billion and below NT$10 billion should establish an audit committee during 2017 to 2019.

4.3.1 Composition

The January, 2006 amendment of Securities & Exchange Act required that the audit committee should comprise at least three members, which included all independent directors. The members of the Committee should designate a Chair In addition, at least one member of the committee should be an accounting or finance expertise (§14-4 Securities & Exchange Act).

4.3.2 Responsibilities

- assigned responsibilities of supervisors in Securities and Exchange Act, company law, and other related laws (§14-4 Securities & Exchange Act).
- The regulations for supervisors in the case of representing the company are also binding the independent director of audit committee (§14-4 Securities & Exchange Act).
- Review internal control, financial report and assigned responsibilities of independent director in Securities & Exchange Act (§14-5 Securities & Exchange Act).

4.3.3 Rules of Procedure

A majority of the members of Audit Committee shall constitute a quorum to transact business. The items having the major effect in the company's finance and business should decide by majority vote of the full Audit Committee member and also approve by Board Resolution. The major effect items may also approve by two-third vote of the full Board

members without the majority vote of the full Audit Committee members (§14-5 Securities & Exchange Act). The FSC has announced "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" to implement the audit committee responsibilities requirement under Article 14-5 of Securities and Exchange Act.

4.4 Remuneration Committees

In view of the fact that remuneration systems constitute an important aspect of corporate governance and risk management, and also because the Securities and Exchange Act now contains a new provision (Article 14-6) which requires that a "company whose stock is listed on the stock exchange or traded over-the-counter shall establish a remuneration committee," the FSC issued the Regulations Governing Appointment and the Exercise of Powers by Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over-the-Counter on March 18, 2011. The regulations set out requirements governing the composition of the committee, the scope of its powers, rules of procedure, professional qualifications, independence, and the exercise of its powers. The purpose of the regulations is to ensure a sound remuneration system for company board members, supervisors, and executive officers.

4.4.1 Composition

Under the Regulations, a remuneration committee should consist of at least three members appointed by the board. Beside, the members of remuneration committee should be composed of at least one independent director.

4.4.2 Responsibilities and Rules of Procedure

- Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers; periodically evaluate and prescribe the remuneration of directors, supervisors, and managerial officers.
- When performing the official powers of the preceding paragraph, the remuneration committee shall follow the principles listed below:

1. With respect to the performance assessment and remuneration of directors, supervisors and managerial personnel of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the company's business performance, and future risk exposure.
2. It shall not produce an incentive for the directors or managerial officers to engage in activity to pursue remuneration exceeding the risks that the company may tolerate.
3. It shall take into consideration the characteristics of the industry and the nature of the company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of remuneration.

4.5 Meeting of Shareholders

Under the OECD Principles of Corporate Governance, the corporate governance framework should protect shareholders' rights, and ensure the equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective redress for violation of their rights. Taiwan fulfills these principles through the following regulations in the company law and securities laws.

4.5.1 Shareholder Participation

As the owner of the corporations, the corporation performance affects the investors directly. Under the company law, investors in Taiwan may exercise the rights to play an important role in corporate governance as following:

- **Voting right to elect and discharge directors and Supervisors.** The shareholder shall elect and discharge directors and supervisors by voting in the meeting of shareholders (§192, §199, §216 Company Law).
- **Shareholder Proposal** (§172-1 Company Law)
- **Determine the remuneration.** The remuneration of directors and supervisor shall be determined by a meeting of shareholders (§192, § 196, §227 Company Law).

- **Modify or alter Articles of incorporation.** A firm shall not modify or alter its articles of incorporation without a resolution adopted at a meeting of shareholders (§277 Company Law).
- **Approval for material transaction.** A company shall not do any of the following acts without a majority votes resolution adopted by shareholders meeting: (1) Enter into, amend, or terminate any contract for lease of the company's business in whole, or entrusting others to operate the business, or for regular joint operation with others; (2) Transfer the whole or any essential part of its business or assets; (3) Accept the transfer of another's whole business or assets, which has great effect on the business operation of the company (§ 185 Company Law).
- **Free of transferring stock**. The transfer of shares of a company shall not be prohibited or restricted by its articles of incorporation. Thus, if the performance of company is poor, the shareholder may sell his stocks as a way to express his dissatisfaction (§163 Company Law).

4.5.1.1 Shareholder Proposal

In order to increase the level of participation by shareholders in company affairs, the 2005 amendment of company law now gives the shareholders the right to submit a proposed matter for consideration during the annual general meeting of shareholders, provided that the proposing shareholders shall have been a shareholder of record of at least 1% of the total shares of the company and such a matter is one that can be resolved by a meeting of the shareholders (§172-1 Company Law).

Article 6 of the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” requires the board of directors of a TWSE/TPEx listed company shall properly arrange the proposals and agenda of shareholders' meetings. Shareholders shall be granted reasonable time to deliberate each proposal and afforded an appropriate opportunity to make statements. Moreover, shareholders' meetings that are convened by the board of directors, a majority of the directors to attend the meeting in person would be advisable.

4.5.1.2 Vote Liberal

As a result of the 2005 company law amendment, companies may now allow new methods for the shareholder to cast their votes, i.e., by writing or e-vote under the regulations of Electronic Signature Law to facilitate the personal exercising of shareholders' voting rights. The voting methods should be described in the notice of Shareholder Meeting (§ 177-1, §177-2 Company Law).

Under the 2012 amendment of §177-1 Company Law, FSC may as necessary in view of the company's scale, shareholder structure, type of operations, and other essential factors, require company to add the exercising of voting right via e-voting platform. The FSC ruled that, beginning from 2012, any company listed on the Taiwan Stock Exchange or Taipei Exchange that has capital of NT$10 billion and 10,000 shareholders shall be subject to the requirement to make electronic voting available at shareholders meetings. In addition, in order to encourage companies to adopt a candidate nomination system as a means of facilitating the implementation of electronic voting, any company which, at its 2012 shareholders meeting, holds an election or by-election of directors or supervisors and also amends its articles of incorporation to adopt a candidate nomination system, will be given a buffer period whereby it is not required to conduct electronic voting until its next shareholders meeting. To advocate shareholder's activism and enhance corporate governance, the FSC offered further voting facilities in November, 2014 by amending the paid-in criteria of a public company that should adopt electronic voting: from a paid-in capital of at least NT$5 billion to NT$2 billion. The new FSC criteria are required to implement from 2016. Furthermore, from 1 January 2016, a company whose stock is to be newly listed on the TWSE and the TPEx shall in its articles of incorporation specify electronic transmission as one of the methods for exercising shareholder voting rights.

To promote the adoption of candidate nomination system as a means of facilitating the implementation of electronic voting, any company which, at its 2014 shareholders meeting, holds an election or by-election of directors or supervisors and also amends its articles of incorporation to adopt a candidate nomination system, will be given a buffer period whereby it is not required to conduct electronic voting until its next shareholders meeting. Statistics indicate that 277 listed companies provide electronic voting as one way to vote at their shareholders

meetings in 2015.

The amendment of §181 Company Law and the "Regulations Governing the Operation of and Compliance Requirements for Split Voting by the Shareholders of Public Companies" will allow split voting for overseas funds, overseas financial institutions, or global depository banks of overseas depositary receipts. In order to implement the requirement for companies to establish a remuneration committee, thereby strengthening corporate governance, and in order to implement the distance voting system, the FSC on February 20, 2012 amended the Regulations Governing the Offering and Issuance of Securities by Securities Issuers. The amended regulations expressly provide that where a company listed on the TWSE, TPEx, or Emerging Stock Market fails to establish a remuneration committee in accordance with the law, or fails to operate such a committee in the legally required manner, and where the circumstances of the violations are serious, or where such a company fails to make distance voting available as a means of exercising voting rights at shareholders meetings, the FSC may cite such circumstances as cause for rejecting the company's attempt to register a securities offering, an issuance of new bonus shares, or a capital reduction.

To facilitate the voting by foreign shareholders, TDCC provides the “International Voting Strait Through Process（STP）” service since 2015.

4.5.1.3 Derivative lawsuit

Derivative lawsuit is an important vehicle for minority shareholders to monitor the conduct of management. However, the absence of class-action lawsuits and rigid regulation in derivative lawsuit make serious problem in suing wrongdoing of directors and Supervisors. Before the amendment of the Company Law in 2001, shareholders continuously hold 5% of shares for one year or longer may request in writing for a supervisor to institute an action against a director on behalf of the company.（§214 Company Law） The aim of this article is to protect the minority shareholders by providing them the right to file lawsuit against wrongdoing of directors and Supervisors. However, the criteria, holding 5% of share, is not easy to apply in listed company. The rigid regulation makes it a barrier for shareholder to file a derivative lawsuit. Therefore, the successful case for suing a wrongdoing director or statutory is rare in

Taiwan. The amended Companies Law in 2001 has loosened the criteria. The requirement of shareholder now is 3%, instead of 5%.

To urge directors and supervisors best fulfill the duty of loyalty, §10-1 “Securities Investor and Futures Trader Protection Act” was amended in 2009. Under the 2009 amendment, while the protection institution discovers the conduct of director or supervisor of an TWSE/GRSE listed company in the course of performing his or her duties that is materially injurious to the company or is in violation of laws, regulations, and/or provisions of the company's articles of incorporation, the protection institution may institute the action on behalf of the company without regard to the restrictions of Article 214 and Article 200 of the Company Act.

4.5.1.4 Nomination System for Election of Director and Supervisor

The public companies may adopt the nomination system for election of Director and Supervisor. Any shareholder of record of at least 1% of the shares may nominate candidates for the election. To formalize this nomination system, company must amend its articles of incorporation (§ 192-1, §216-1 Company Law). To enhance this nomination system, newly listed company on the TWSE and the TPEx shall in its articles of incorporation specify to adopt nomination system for election of director and supervisor. Furthermore, in order to courage this nomination system, SFI and Corporate Governance Association were listed as one of the items of Information Disclosure Ranking System, Corporate Governance Evaluation System and Corporate Governance Framework Assessment System.

4.5.2 Proxy Solicitation

Market discipline such as proxy solicitation is an effective mechanism for corporate governance. With enough votes, the group can exert pressure on management to act in the best interest of the group. That is to say, a proxy fight is one way to discipline management if they deviate from shareholder value maximization. In Taiwan, in each meeting of shareholders, a shareholder may delegate a proxy to attend the meeting by filling a printed form of power of attorney stating the scope of authority (§177 Company Law). To avoid the improper use of proxy solicitation,

the Authority has promulgated “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies”. The FSC amended the Regulations on April 11, 2013 to strengthen regulation of shareholders meeting proxies. Key points of the amendments as follows:

1. prior to a shareholders meeting, the proxies must be tallied and verified regardless whether directors or supervisors will be elected at the meeting;
2. to coordinate with 2012 "Securities and Exchange Act" amendment (whereby newly inserted Article 165-1 sets out a list of provisions in said Act that will apply mutatis mutandis to foreign companies when they list shares on the TWSE, the TPEx, or the Emerging Stock Market), new provisions have been added to the Regulations (in light of the fact that the legislation of a public company's home jurisdiction differs from Taiwan's) to govern the following matters: (a) the methods that must be used for calculating the number of shares represented by proxy solicitors or held by shareholder mandating proxy solicitations; (b) the deadline for the proxy solicitor to deliver the solicitation information to the company; and (c) the deadline for the company to compile a summary statement of the solicitor solicitation information and transmit it to the SFI.

Further, the FSC amended the Regulations on March 4, 2015 to strengthen regulation of shareholders meeting proxies. Key points of the amendments as follows:

1. If the shareholder is a financial holding company, then no subsidiary of the financial holding company at the current shareholders meeting may make any further solicitation or handle proxy solicitation matters mandated by any solicitor.
2. Before personnel at the place of solicitation handle proxy solicitation matters, the proxy solicitor and the company mandated to handle solicitation matters shall report information on those personnel to the institution designated by the FSC. No person at the place of solicitation may handle solicitation matters until the report has been filed. A solicitor or a company mandated to handle solicitation matters may not obtain proxies by means of proxy solicitations conducted by personnel who have not been reported pursuant to the regulations.

3. A solicitor shall sign or seal the solicited proxies and additionally affix the seal of the place of solicitation. The signature or seal of the personnel handling proxy solicitation matters at the place of solicitation shall be affixed on the proxies. The proxies may not be transferred to another person for use.

4.5.3 Facilitating the Exercising of Shareholders' Rights

Under the consent of shareholders, company may deliver notice and minutes of annual shareholder meeting by electronic transmission in accordance with the format request of Electronic Signature Law.

Article 7 of the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" requires a TWSE/TPEx listed company shall encourage its shareholders to actively participate in its corporate governance and hold shareholders' meetings on the premise of legal, effective and safe proceedings, in addition, listed company shall seek all ways and means, including fully exploiting technologies for information disclosure, so as to enhance the attendance rate of shareholders at the shareholders' meeting and ensure the exercise of shareholders' rights. About shareholder's voting right, you can also refer to previous section 4.5.1.

For the purpose of allowing shareholders to learn about the meeting procedures and contents ahead of a shareholders' meeting and to attend such meeting and exercise their rights actively, the FSC amended Article 6 of the "Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies" on December 11, 2009. The amended regulations require that 21 days before a company is to convene an ordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplemental materials referred to in the preceding paragraph, and upload it to the Market Observation Post System.

The 2011 amendment to Article 183, paragraph 3 and Article 230, paragraph 2 of the Company Act has changed the requirements that shareholders meeting minutes and material resolutions may now be distributed to all shareholders, regardless of the size of their holdings, by means of public announcement. To coordinate with this amendment, the

FSC on July 7, 2011 revised its rules on the method for making such public announcements. Under the revised rules, after a public company holds a regular (or special) shareholders meeting in accordance with the aforementioned provisions of the Company Act, it may use a public announcement to distribute shareholders meeting minutes and material resolutions, as well as a shareholders meeting's approval of financial statements, earnings distributions, or covering of losses. In accordance with the FSC's requirements, the company announces the information should post it to the Market Observation Post System (MOPS) at https://sii.twse.com.tw (the website information disclosure website specified by the FSC).

According to §36 Securities & Exchange Act, annual report must be published in no less than 3 month after the end of each fiscal year. That makes the shareholders' meeting generally held in about the same time to meet with publication of annual report.

General shareholders meetings in Taiwan tend to be held all at the same time, which is prejudicial to the interests of shareholders. In order to avoid this situation, the TWSE and TPEx have adopted a System for Advance Reporting of the Dates of General Shareholders Meetings of TWSE-listed, TPEx-listed, and Emerging Stock Companies. The system, which has effected from 2010, allows for no more than 200 companies to hold their general shareholders meeting on a single day (but this restriction does not apply to companies that allow for electronic voting). Companies must complete an online registration of the dates of the general shareholders meetings before 15th of March each year. For the earlier announcement of annual financial reports under the amendment of Article 36 of "Securities and Exchange Law", the FSC will work with TWSE/TPEx to adjust for no more than 100 companies to hold their general shareholders meeting on a single day (but this restriction does not apply to companies that allow for electronic voting). Besides, the FSC will continue working with the TWSE and TPEx to familiarize listed firms with the system, so as to safeguard shareholder interests.

According to Article 36, paragraph 7 and 8 of the Securities & Exchange Act, the regular meeting of shareholders of a company whose stock is listed on the stock exchange or traded over-the-counter shall be held within six months after the close of each fiscal year. In a year in which

expires the term of the directors and supervisors of a company, if the board of directors does not convene the regular meeting of shareholders to elect directors and supervisors for the new term in accordance with the preceding paragraph, the Competent Authority may ex officio set a deadline for the meeting to be held. If the meeting is not held by the deadline, the entire body of directors and supervisors shall ipso facto be dismissed from the time of expiration of the deadline.

To protect the minority shareholder, it increases the rule in the Article 38-1, paragraph 2 of Securities & Exchange Act. When shareholders who have been continuously holding, for a period of 1 year or longer, 3 percent or more of the total number of the outstanding shares of a company whose stock is listed on the stock exchange or traded over-the-counter deem that a specific matter materially damages the interests of shareholders, they may apply to the Competent Authority with reasons, related evidence, and explanations of necessity, asking for inspection of the specific matter, related documents, and account books of the issuer. If the Competent Authority deems necessary, it will proceed pursuant to the Article 36-1, paragraph1.

4.5.4 Operation Mechanism of Shareholders' Meeting

According to the Company Law, a shareholder may appoint a proxy to attend a shareholders' meeting in his/her behalf. Anyone who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, however, trust enterprises or stock agencies approved by the competent authority shall be excluded, which means no voting limitation for these institution. The new amendment also allows mail or online voting. However, a shareholder who exercises his/her/its voting power via electronic voting shall be deemed to have waived his/her/its voting power in respective of any extemporary motions and/or the amendments to the contents of the original proposals at the said shareholders' meeting (§177-1 II Company Law).

On April 11, 2005, Ministry of Economic Affairs announced enforcement letter No. 09402406590. According to the rule, if any shareholder considers that the discussion has any objection for a motion, it should disclose the numbers of votes cast "For" and the proportion of voting

right to agree the motion. It can be presented as “Shares of shareholders for vote in Shareholders’ Meeting are XXX shares. The numbers of votes cast "For" is XXX and the proportion of the numbers cast "For" to total voting numbers is XX.XXX%.” On October 3, 2005, Ministry of Economic Affairs announced enforcement letter No. 09402406590. If shareholders in a firm adopt mail or electronic to cast their vote with any against or waived on any motion, which acquire majority attendants’ votes agree to adopt a motion by simply oral request by the chairman if no one object the contents of the motion, the case also should follow above disclosure rule.

Section 10 and 13 of the “TWSE/TPEx Best Practice for Public Companies Shareholders’ Meeting” prescribe: when the chairman considers that the discussion for a motion has reached the extent for making a resolution, he/she may announce discontinuance of the discussion and submit the motion for resolution. The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder. To encourage moving towards full voting by poll at shareholder meeting, the newly amendments of “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and “TWSE /TPEx Best Practice for Public Companies Shareholders’ Meeting” recommend that TWSE/TPEx listed companies are advised to arrange for their shareholders to vote by poll on the proposals included in the shareholders meeting agenda one by one and enter the voting results, namely the numbers of votes cast "For" and "Against" and the number of "Abstentions," for each proposal, after the shareholders meeting on the same day that it is held, into the Internet information reporting system designated by the TWSE.

4.6 Information Disclosure and Transparency

According to the OECD Principles of Corporate Governance, the corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership, and governance of the company. Taiwan implements these principles under both provisions in Company law and securities law.
To provide investors with timely, accurate and relevant information,

Taiwan public companies have the obligations to provide and disclose information under both provisions in Company law and securities law. Under securities law, primary market and secondary market disclose different documents or information. As in the case of affiliated corporations, an additional disclosure of consolidated financial statements is required. The full detailed information disclosure can be found on the FSC website "List concerning what information Publicly-held companies should announce to the public or report to the FSC" (available at http://www.sfb.gov.tw/en/home.jsp?id=73&parentpath=0,9).

4.6.1 Dissemination of the Primary Market Information

Taiwan's company law and securities laws have many rules governing the issuance and transfer of shares. The Prospectus is the most important document in the disclosure process of listing. The major contents of the Prospectus should include: (1) The extent of open public disclosure; (2) Operating conditions; (3) Issuance plan and implementation status; (4) Financial conditions; (5) Specially stipulated items and events; and (6) Important resolutions.

In order to enhance corporate governance of listing companies, TWSE amended rules to require initial listed companies shall file "Corporate Governance Self-assessment Report" with other registration documents. In addition, underwriters shall descript the corporate governance system of the IPO issuer and providing their opinion. In addition, for the time of filing "Corporate Governance Self-assessment Report", since 1st October 2011, companies which apply for listing should have yielded the report in new forms and complete declaring it before listed. If the content of report changes, companies should update declaring within two days after completing Corporate Governance Self-assessment Report. (for details, please refer to the website, http://www.twse.com.tw/docs1/data01/set/public_html/ 0960005558.htm)

4.6.2 Disclosure of the Secondary Market Information

Information disclosure in the secondary market is a process by which a listed firm discloses material information full, timely and publicly on a regular or irregular basis. The regular disclosure documents in trading market include financial reporting, financial forecast (not mandatory),

annual report, and a statement of total operating revenues, also internal auditing operation and insider trading information. To avoid financial statements containing misleading information or not disclosing the important financial or operational information timely or properly, FSC requires semi-annual financial statements and forward looking statements should be reviewed by certified public accountant (CPA). As to irregular basis of disclosure, FSC promulgates rules and guidelines towards special disclosure requirement that may affect shareholders' interests, such as "Rules Governing Acquisition and Disposition of Asset by Public companies". Information disclosed on an irregular basis includes events that may have a large impact on stock prices and shareholders' equity, matters regarding the offering and issuance of securities, matters regarding the acquisition or disposal of assets, matters regarding investment in Mainland China, and matters regarding changes to accounting principles. Moreover, Article 14 of the Securities & Exchange Act require the chairperson, manger, and accounting officers shall file a declaration to assure there is no false or misrepresentation in company's disclosed information. To help company insiders and employees understand legal compliance procedures and their responsibilities, and to help public companies establish better information disclosure channel. In 2008, TWSE and OTC set up the example of "Public Company Important Information Disclosure Process" for public companies to follow in their daily operation.

Moreover, to ensure that investors are fully and promptly informed on the financial and business conditions of listed companies, the FSC is seeking to increase the transparency of disclosure by listed companies so as to avoid information asymmetry in Taiwan's capital market. Toward that end, the FSC has asked TWSE and TPEx to adopt rules requiring listed companies to make publicly available, in audio-video format, the proceedings of investor press conferences. On 13 November 2012, the TWSE and TPEx both announced the adoption of related rules, which are scheduled for implementation from 1 June 2013. Once the rules are implemented, any investor press conference that is held in Taiwan either before or during market hours will have to be simultaneously broadcast in its entirety in audio-video format. When an investor press conference is held at some other time, a link to a full audio-video recording will have to be posted to the Market Observation Post System (MOPS) at least two hours before the beginning of trading on the next business day for the

reference of investors.

TWSE indicated that considering the fact that the Mechanism of Trading Halt during Information Assessment Period gives the material information that occurred or was announced during trading hours sufficient time to be made public extensively, and provides investors with digestion time for information to reduce circumstances of information asymmetry, TWSE announced on July 13, 2015 the amendment of "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities" through adopting by reference of regulations in the main foreign exchanges, added the specific Chapter Four "Halt and Resume Trading," and amended the relevant Article in concert with the Mechanism of Trading Halt during Information Assessment Period.

To enhance the efficiency of material information disclosure of public listed companies, the TWSE and TPEx amended ''Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities'' to require public listed companies to input the content or explanations of the information into the Internet information reporting system designated by the TWSE before 12 AM of the trading day when discovering mass media reportage of any material events or reportage that diverges from facts.

4.6.3 Corporate Governance Disclosure in Annual Report

In order to enhance the transparency of information related to the implementation of corporate governance, the FSC has amended the "Regulations Governing Information to be Published in Annual Reports of Public Companies" (content available at: http://eng.selaw.com.tw/FLAWDAT01.asp?LSID=FL007032) for several times. A corporate governance report should be included in the Annual Report of Companies since the 2007 amendment to "Criteria Governing Information to be published in Annual Reports of Public Companies". The following items on **Table 3** are required to be included in the Report on Corporate Governance in the Annual Report of Companies.

Table 3: The Corporate Governance Report Disclosure Requirements in Annual Report of Public Companies

Items	Disclosure requirement
Organizational system	● Show the company's structure and the tasks of its principal divisions
Information on directors and supervisors	● Directors and supervisors: names; nationality or registered; principal work experience and academic qualifications; position(s) held concurrently in the company and/or in any other company, date on which current position was assumed; term of contract; the commencement date of the first term, shares held by directors/supervisors and their spouses, children of minor age, and held through nominees; professional expertise; and whether they are independent directors/supervisors. ● The general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch unit: names; principal work experience and academic qualifications; date on which current position was assumed; term of contract; and shares held by them and their spouses, children of minor age, and held through nominees. ● Remuneration paid during the most recent fiscal year to directors, supervisors, the general manager, and assistant general managers ● Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

Items	Disclosure requirement
The state of the company's implementation of corporate governance	● operations of the board of directors ● operations of the audit committee or the state of participation in board meetings by the supervisors. ● “comply or explain” approach to Corporate Governance Best-Practice Principles for TSEC/TPEx Listed Companies. ● operations of compensation committee (if any) ● Company’s CSR policy ● If the company has adopted corporate governance best-practice principles or related bylaws, disclose how these are to be searched ● Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed ● state of implementation of the company's internal control system ● disclose any sanctions imposed in accordance with the law upon the company or its internal personnel, any sanctions imposed by the company upon its internal personnel for violations of internal control system provisions, principal deficiencies, and the state of any efforts to make improvements. ● material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report ● where a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof ● a summary of resignations and dismissals of the company's chairman, general manager, principal accounting officer, principal financial officer, chief internal auditor, and principal research and development officer

Items	Disclosure requirement
Information on CPA professional fees	Disclose professional fees of CPA either by fee range or by individual amount disclosure
Information on replacement of CPA	If the company has replaced its CPA within the last 2 fiscal years or any subsequent interim period, it shall disclose the following information: ● Regarding the former CPA ● Regarding the successor CPA
Other mandatory disclosures	● Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed. ● Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report. ● Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another. ● The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the company.

To enhance the transparency of the public company financial statement, Article 10-5 of the “Regulations Governing Information to be Published in Annual Reports of Public Companies” requires that the company may opt to disclose professional fees of certified public accountants either by fee range or by individual amount disclosure. Besides, every issuer shall disclose the information regarding the professional fees of the certified public accountant in the following circumstance:

- When non-audit fees paid to the certified public accountant, to the accounting firm of the certified public accountant, and/or to any affiliated enterprise of such accounting firm are one quarter or more of the audit fees paid thereto, the amounts of both audit and non-audit fees as well as details of non-audit services shall be disclosed.
- When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous year, the amounts of the audit fees before and after the change and the reasons shall be disclosed.
- When the audit fees paid for the current year are lower than those for the previous fiscal year by 15 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed.

  The professional fees for auditing services referred to in item (1) means the professional fees paid by the company to a certified public accountant for auditing, review, and secondary reviews of financial reports, financial forecast reviews, and tax certification.

In order to enhance the transparency of information related to the implementation of corporate governance and remuneration of directors and supervisors, the FSC in 2012 also amended the Regulations Governing Information to be Published in Annual Reports of Public Companies and the Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses. The key points include (1)If the company has a compensation committee in place, the composition, duties, and operation of the compensation committee shall be disclosed；(2) Companies must disclose implementation of corporate social responsibility and ethical corporate management；(3) The employment status of associated staffs who endorses the company's financial statements shall be disclosed.

In addition, the FSC in 2015 amended the Regulations Governing Information to be Published in Annual Reports of Public Companies and the Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses. The key points include (1) To enhance the disclosure of remuneration paid to directors and supervisors；(2) To enhance the disclosure of corporate governance, corporate social responsibilities, and ethical corporate management.

4.6.4 Disclosure of Affiliated Corporations

To protect the rights of minority shareholder and creditor, the controlling company and subordinate company of a public company shall, at the end of each business year, prepare a consolidated business report, consolidated financial statements, and a report regarding the relationship of legal acts and status between them (§369-12 Company Law).

Considering increasing number of business affiliates in Taiwan, the Authority published the " Guidelines for Compilation of the Group Companies Management Report, the Consolidated Financial Statements, and the Relationship Report" in 1999 and required that the three reports include the following:

- The Group Companies Management Report: The contents include the organizational chart, shareholding status of directors, supervisors and the general manager, the related party transactions among group members, financial status and operational results of each company, etc.
- The Consolidated Financial Statement: Any public company shall disclose Consolidated Financial Statement while compiling annual report. The contents shall include financing accommodation among group members, endorsement or guarantee, transactions on derivative products, material matters, after day items, and the holding of bills and securities.
- The Relationship Report: the contents shall include the purchasing & selling of goods and asset transactions, financing, and endorsement among group companies.

4.6.5 Public Disclosure System

The latest amendment of the Company Law provided that company announcements may be made according to the regulations stipulated by the FSC. Therefore, public companies under Securities regulations shall disclose information through the" Market Observation Post System" established by TWSE or TPEx (available at website: http://emops.twse.com.tw/). Public companies now have legal grounds to publicize information via Internet. In addition, copies of corporate paper filings are also available at SFI library, TWSE Public Relations Office, TPEx Administration Department, and Chinese Securities Association

(CSA). The “Corporate Governance Best-Practice Principles for the TWSE/TPEx Listed Companies” also advise listed companies should set up a website containing the information regarding the company’s finance, operation and corporate governance.

4.6.6 Information Disclosure Ranking System

To promote corporate transparency by developing evaluation criteria that can not only well examine local disclosure practices but also comply with international standards, the “Information Disclosure and Transparency Ranking System (hereafter IDTRS)” has been conducted in Taiwan since 2003. The ranking criteria are base on the latest publicly available information, including annual report, information on ” Market Observation Post System”, and company ’s website. The ranking is assigned to each of the following five categories:

1. Compliance with the mandatory disclosures
2. Timeliness of reporting
3. Disclosure of financial forecast
4. Disclosure of annual report (including ownership structure, board structure, and transparency of financial and operating review)
5. Corporate website Disclosure

Each disclosure item is in the form of a ‘‘yes” or “no” question to ensure objectivity, and each “yes” is equal to one point opposite to each “no” to zero. IDTRS does not endeavor to access the accuracy of the information. The 12th Information Disclosure Ranking System results were released in April, 2015 on the website: http://webline.sfi.org.tw/download/resh_ftp/edis/item6_12.pdf.

4.6.7 Corporate Governance Evaluation

To accelerate the implementation of corporate governance among Taiwanese listed companies and to assist investors and companies in better understanding the performance of corporate governance by comparing the evaluation result among companies the Corporate Governance Center of TWSE, under FSC supervision, established the Corporate Governance Evaluation System, which is one of the major projects under "Corporate Governance Roadmap" issued by FSC in December 2013.

Corporate governance evaluation, which provides evaluation free of charge for all listed companies in the category of corporate governance, is performed under the FSC's guidance and supervision. The TWSE Corporate, together with TPEx, is responsible for organizing and drafting evaluation indicators, and retaining academia and industry experts to form the Corporate Governance Evaluation Committee to guide the enactment of the indicators. An SFI Corporate Governance Evaluation Task Force (SFI Task Force) has been established to implement evaluation process. On January 2015, the Corporate Governance Center released a manual of its corporate governance evaluation process and the evaluation criteria that will be employed. The 2ndyear-round evaluation of corporate governance in 2015 will be carried out for companies whose stock is listed on the TWSE or on the TPEx, and the results are expected to be released in the first half of 2016.

Meanwhile, Corporate Governance Association provides the Corporate Governance Assessment (CG Assessment), which is a fee-based tool for Company evaluating their institution of Corporate Governance since 2005. Companies accept evaluation on a voluntary basis. Companies with passing grade will be reward with the Certification from Corporate Governance Association.

4.7 Disgorgement against Insider’s Short-Swing Profit

Under Article 157 of Securities & Exchange Act, the company shall claim for “short-swing trading” profit while insiders of listed companies sell the listed securities within six-month after its acquisition, or repurchase the securities within six months after its sale. The goal is to recognize the short-swing trading objectively and make it easier to prove the misconduct, prevent the insider trading from the beginning, and encourage insiders to hold the equities for long-term investment.

The SFI has maintained an active enforcement program in the above area. Since owning one trading unit in each Taiwan listed company, the SFI, based on Securities Law, firstly demand in writing those companies to claim insider ’s short-swing profit. The Securities & Futures Investors Protection Center (SFIPC) takeover the short-swing profit disgorgement matters from Feb. 20 2003. The SFIPC will keep monitoring listed

companies to claim insider's short-swing profits. For more detailed information, please refer **Appendix II** "List of Total Short-Swing Profit Claim against Insiders".

Moreover, in order to detect market abuse, the authority ordered TWSE and TPEx to inspect abnormal trading. If any illegal trading is found, the TWSE and TPEx should act according to the regulation and start up investigation process protecting investors' interests.

5. Corporate Governance Roadmap 2013

To facilitate implementation of corporate governance measures for increasing the regional competitiveness of Taiwan, and to showcase future plans for promoting corporate governance, the regulatory authority FSC has published the Roadmap of Corporate Governance for the next five years on December 26th 2013. Through the collective strength of adequate legislation, corporate self-discipline, and market oversight, the FSC promotes five projects in the future, including shaping corporate governance culture, promoting shareholder activism, increasing the capabilities of the boards, disclosing material information of corporate governance, and strengthening regulations. The roadmap is regard as the guidance for promoting corporate governance policies.

5.1 Shaping Corporate Governance Culture

Through oversight mechanisms of the private sector and markets, we expect that companies and stakeholders value good corporate governance and take initiatives.

5.1.1 Structuring the Corporate Governance Center.

In October of 2013, TWSE has established a Corporate Governance Center with an Advisory Committee membership appointed by the following agencies: FSC Securities and Futures Bureau, FSC Banking Bureau, FSC Insurance Bureau, MOEA Department of Commerce, and various securities institutions and industry leaders to implement a variety of important corporate governance measures of "Corporate Governance Roadmap 2013". To establish a Culture of Good Corporate Governance and to create corporate values, the Corporate Governance Center

consolidates the resources of government, the private sector, TWSE (and TPEx), and the media and is responsible for the following tasks: further advance enforcement framework, Corporate Governance Research Project, Corporate Governance Evaluation, investor education, and Platform for the exchange of ideas.

5.1.2 Conducting the Corporate Governance Evaluation

In order to further promote corporate governance at listed companies in Taiwan, the FSC has been working together with TWSE Corporate Governance Center to establish a corporate governance evaluation system. The Corporate Governance Center will form an evaluation committee, draft evaluation indicators and grading schemes, and form evaluation teams to be in charge of initial evaluation. The evaluation will score the following issues: Disclosures of corporate governance matters on the websites, annual reports, and Market Observation Post System by publicly traded companies; incidents related to corporate governance during the year; and the operation or discharge of duties of shareholders' meeting, the Board, and independent directors. In the end, the evaluators will rank companies by the scores they earn, and companies and investors will publish the results for use.

5.1.3 Creating the Corporate Governance Index

The TWSE and the TPEx determined the criteria for selecting stocks and pick publicly traded companies with better corporate governance records to compile the corporate governance index in June 2015.

5.2 Promoting Shareholder Activism

Corporate affairs should make it easy for shareholders to participate in or oversee major decisions of the company and mechanisms should be in place to ensure all shareholders are fairly treated.

5.2.1 Expanding the Adoption of Electronic Voting

To encourage shareholders to actively participate in the affairs of the company and help companies understand the opinion of shareholders and stakeholders, the FSC should create the following mechanisms to

encourage companies to engage in dialogues with minority shareholders:

- Increasing the number of companies required to adopt electronic voting
- Encouraging companies that provide electronic voting platforms to collaborate with international voting platforms and design the "international voting Straight Through Process (STP)" in order to facilitate the voting by foreign shareholders
- Encouraging funds controlled by the government and financial institutions overseen by the FSC to support and use electronic voting as much as possible

5.2.2 Promoting the Quality of Shareholders' Meeting

To make the information of shareholders' meeting more transparent and make the shareholders' meeting fair to all parties, the FSC adopt the following measures to improve the decision-making quality at shareholders' meetings to improve the participation of shareholders and protect their rights:

- Under the policy of promoting electronic voting, the FSC encourage proposal-by-proposal voting at shareholders' meeting so that we can truly see the support of proposals among shareholders as reference for future decisions of the Board.
- Encouraging companies with high foreign ownership to offer shareholders' meeting agenda handbook in English.
- Encouraging the adoption of candidate nomination system at the election of directors and supervisors.
- Improving the concentration of shareholders' meeting.
- The FSC will direct the SFIPC to fulfill its responsibility of oversight as a shareholder and ask it to gather information from the market, compile a list of companies for whom disputes may arise at their shareholders' meetings, and plan to attend those shareholders' meetings, so that it can oversee the functioning at those shareholders' meetings and protect the shareholders' rights.
- The FSC will direct TDDC to improve its audit on stock transfer operations and continue to review internal control regulations on stock transfer according to the market condition in future years.

5.2.3 Requesting Listed Companies to Build Stakeholder-relation Platforms

To make the companies pay attention to the opinion of shareholders, the TWSE and TPEx require listed companies to set up corporate websites and provide stakeholder sections on those websites in their listing agreements so that stakeholders can ask questions and voice their concerns. The company should also properly respond.

To properly regulate institutional shareholders' participation in corporate governance, institutional investors (such as funds controlled by the government and financial institution overseen by FSC) are required to disclose and implement their criteria for stock selection, their concerned issues on their investees, and their policies on participating in shareholders' meeting and voting.
FSC planned to create the mechanism for SFIPC to coordinate its investors protection functions with the Corporate Governance Center on a regular basis. In this way, the SFIPC can protect the rights of shareholders before incidents happened.

5.3Increasing the Capabilities of the Board

Board members should be fit and proper. The Board should also be equipped with knowledge and profession on strategic directions and effective oversight on the management, and be held accountable to the company and its shareholders.

5.3.1 Expanding the applicable scope of mandatory establishment of independent directors and audit committees

The FSC adopt the following measures to help listed companies stay in tune with international trends:

- **Mandatory Appointment of Independent Directors**: All listed companies in Taiwan are required to appoint independent directors; the FSC will recommend that the Ministry of Economic Affairs evaluate whether the Company Act should add provisions that allow companies to appoint independent directors voluntarily.
- **Increase the number of companies required to establish audit committees:** To perform the full-scale, mandatory implementation of Audit Committees Policy in stages; the FSC will also consider the qualification of members of board committees and their multiple

directorships, and draft measures on these issues.

5.3.2 Strengthening the Effectiveness of the Board

As the environment is changing and complexities in the environment are growing, corporate board members require greater professionalism, skills, and experiences to reinforce their decisions. The FSC adopt the following measures:

- **Promote board diversity:** The FSC will help listed companies pay attention to the advantage of diversity among their board members and implement such measures.
- **Encourage the establishment of nomination committees**: The Corporate Governance Center will gather information on the power and function of nomination committees under corporate boards in other countries. It will publish guidelines that help improve the function of the nomination committee. The Center will then review if the establishment of nomination committees or improvement of the nomination system shall be included as corporate governance evaluation indicators.

5.4 Disclosing Material Information of Corporate Governance

The Company should disclose material and necessary corporate information, in a matter that is timely, complete, and accurate. Such information includes critical non-financial information corporate ethical business practices and the fulfillment of social responsibilities. Disclosure of integrated law enforcement information reflects the status of a company's legal compliance and should be included.

5.4.1 Increasing the quality of non-financial information disclosure

The FSC adopt the following measures to help public companies properly present disclosures on the fulfillment of corporate social responsibility and ethical management and to help investors better understand these companies.

- To revise "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies."

- To revise the regulations and attachments of annual reports and prospectuses of public companies and require listed companies to disclose their fulfillment in detail.
- Fully utilize the market mechanism to encourage listed companies to further fulfill corporate social responsibility and ethical business practice.

5.4.2 Integrating disclosure of transaction irregularities and law-breaking information

To help investors easily grasp the legal compliance of listed companies, the TWSE or TPEx will integrate information such as abnormal trading in the companies' stocks, or change of trading methods on their websites. Also, the FSC is planning to create a law enforcement statistical database and properly disclose such information for use in oversight functions.

5.5 Strengthening Regulations

A full set of laws should be in place for companies to comply with relevant regulations on corporate governance.

5.5.1 Reshaping the Core Principles of Internal Control

To ensure uniformity in the basic principles of internal control measures among the financial industry and public companies, and to adopt international standards, the FSC is proposing the codification of "Core principles of creating internal control regulations," which will serve as the ultimate guiding principle on internal control regulations for the four departments subordinate to this Commission. In the future, internal control regulation principles will be modified according to these core principles.

5.5.2 Strengthening the Protection of Shareholders' Rights

To avoid companies block small shareholders from nominating or proposing with technicalities while there is a fight for the control of the company, and to regulate some related party transactions controversial issues, the following measures are adopted:

- TWSE and TPEx studied the possibility of requiring companies to adopt certain evaluation procedures on the nominations or proposals from shareholders based on their contractual relationship with listed companies. If not, those companies will be fined.
- The FSC will recommend the Ministry of Economic Affairs study protective measures on the shareholders' right of nomination and proposal.
- TWSE and TPEx will study the viable measures on improving the oversight mechanism on related party transactions. They will also draft guidelines or best practices on related party transactions for reference by companies and educate external parties on this matter.

5.5.3 Amending Laws to Effectively Enforce Regulations on Corporate Governance

The FSC is studying the possibility of imposing penalties on infractions against the following statutes to improve the effectiveness of law enforcement and force companies to obey laws on corporate governance: The establishment of remuneration committee stipulated in Article 14-6 of Securities and Exchange Act, Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, and Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.

5.6 Possible Areas of Further Reform

Year	Action Plans	The status of implementation
2013	1. Tasks performed by FSC: (1) Issue official letters that require all listed companies to appoint independent directors. Those companies with more than NT$ 10 billion of paid-in capital are required to establish audit committees since 2015, while others with more than NT$ 2 billion and under NT$ 10 billion in	

Year	Action Plans	The status of implementation
2013	paid-in capital are required to establish audit committees since 2017. (2) Review the implementation of electronic voting and urge TDCC to design "International Voting Straight Through Process."(STP) (3) Continue to promote proposal-by-proposal voting, government funds or financial institutions overseen by this commission to use electronic voting to voice their opinions, so that we can raise the adoption rate of electronic voting among Taiwanese businesses. 2. Tasks performed by the Corporate Governance Center: (1) Plan for the formation of Corporate Governance Center. (2) Accomplish of the formation of the first corporate governance evaluation committee, as well as the design of indicators and grading schemes. 3. Tasks performed by TWSE and TPEx: (1) Complete the disclosure of abnormal information on infractions and trading. (2) Study the viable plans in reducing the number of shareholders' meetings on the same day. (3) Study the core principles of internal control. (4) Propose with SFIPC that companies need certain procedures to handle nominations or proposals made by shareholders based on listing contract relationships. Those who found to be in breach of this condition will be fined. (5) Study the viable measures on improving oversight on related party transactions. (6) Continue to promote voting by poll at shareholders' meetings, the provision of English agenda handbook, and nomination	finished finished

Year	Action Plans	The status of implementation
	system in board elections.	
2014	1. Tasks performed by FSC: (1) Complete the development of "International Voting Strait Through Process（STP）" system. (2) Complete codifying "Core principles of creating internal control regulations." (3) Revise regulations and attached tables in the annual reports and prospectuses of public companies. Add substantive items to be disclosed for corporate social responsibility and ethical business practice. (4) Require government funds and financial institutions overseen by FSC to use corporate governance as a criteria for choosing a company for investment and disclose this fact, continue to pay attention to the state of corporate governance of their investees, and disclose their follow-up with governance of listed companies. (5) Recommend that MOEA add regulations on voluntary appointment of independent directors in the Company Act. (6) Continue to inspect the punitive regulations of the Securities and Exchange Act. When necessary, TWSE and TPEx shall propose relevant measures. 2. Tasks performed by the Corporate Governance Center: (1) Complete the formation of Corporate Governance Center. (2) Complete the initial evaluation of corporate governance evaluation for the first year. (3) Research and propose guidelines for board self-evaluation or peer review. (4) Propose examples for the power, function, and operation of the nomination committee. (5) Propose examples for necessary disclosure on the websites of listed companies. (6) Propose guidelines of related party	finished

Year	Action Plans	The status of implementation
2014	transactions or best practice for reference by companies. (7) Propose the creation of law enforcement statistics database. (8) Compile the incidents of reporting by whistleblowers, the outcome of on-site audits, and the payment of rewards, and study improvements based on such condition. 3. Tasks performed by SFIPC: Based on international practices to propose mechanisms that strengthen functions of monitoring. 4. Tasks performed by TWSE and TPEx: (1) Revise "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies." A. Design items for board self-evaluation or peer review. B. Require that the composition of board members should be diverse. (2) Revise "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" and "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies." (3) Require companies to set up websites and provide stakeholder areas. (4) Determining the criteria or indicators for selecting companies in the corporate governance index. (5) Implement measures when companies are in breach of shareholder nomination or proposal evaluation procedures, and ask MOEA to clearly state protection measures for shareholder nomination and proposal rights in laws.	finished
2015	1. Tasks performed by FSC: (1) Consider and draft corresponding measures	finished

Year	Action Plans	The status of implementation
2015	on the qualification of members of board committees and their multiple directorships. (2) Complete the revision of internal control principles for all industries. 2. Tasks performed by the Corporate Governance Center: (1) Release the first (2014) evaluation results.（Release the evaluation results of companies that perform better） (2) Proposing the following items should be included as indicators of corporate governance evaluation: F. Performance of board self-evaluation or peer review G. Provision of stakeholder section on corporate websites H. Promotion of board diversity I. Creation of nomination committees or improvements of director nomination system J. Fulfillment of corporate social responsibility and ethical business practice 3. Tasks performed by TWSE and TPEx: (1) Depending on the condition of proposal-by-proposal voting, provision of English agenda handbook, and nomination system for the election of directors and supervisors, propose to the MOEA to revise the regulations in the Company Act or securities regulations and make them mandatory. (2) Design differentiated management mechanisms based on evaluation results (3) Encourage listed companies to further promote corporate social responsibility and ethical business practice (such as social responsibility, sustainability or integrated reports).	finished

Year	Action Plans	The status of implementation
2016	1. Tasks performed by FSC: Review regulations such as independent directors and audit committees and propose improvements. 2. Tasks performed by the Corporate Governance Center: (1) Release the results from the second corporate governance evaluation. (Release the evaluation result of more than half the listed companies) (2)Promote the newly added corporate governance evaluation indicators and review the existing indicators. 3. Tasks performed by TWSE and TPEx: Complete the compilation of a corporate governance index and publish it.	1. planing 2. planing 3. finished in 2015
2017	1. Tasks performed by FSC: (1) All listed companies shall appoint independent directors. Listed companies with more than NT$ 10 billion in paid-in capital shall establish audit committees. (2) Listed companies with more than NT$ 2 billion of paid-in capital are required to establish audit committees. 2. Tasks performed by the Corporate Governance Center: Release the results from the third corporate governance evaluation. (Release the evaluation results of all listed companies)	planing
2019	Listed companies with more than NT$ 2 billion of paid-in capital will complete the establishment of audit committees.	planing

Source：Corporate Governance Roadmap, Financial Supervisory Commission (FSC)

6. Other Measures in Corporate Governance

In Taiwan stock market, individual investors constitute the major participant of the market. Insufficient function of institutional investors and lack of effective market discipline mechanism encourage FSC to play a leadership role in promoting good corporate governance.

6.1 Supervision Enhancement for Subsidiaries

Owing to the hidden risk of cross-shareholding among affiliated corporations, a subordinate company shall not redeem or buy back any of controlling company shares, nor accept any of them as security under amended company law in 2001.（§167 Company Law）, also, a company have no voting power in respect of the share issued by itself and in its own possession （Company Law §179）. To enhance the supervision for the financial and operation control of affiliated corporations, the Authority amended the "Regulations for the Establishment of Internal Control Systems by Public Companies" in year 2005,2007, 2009, 2011 and 2014.

6.2 Improving Information Transparency

6.2.1 Earlier Announcement of Annual Financial Reports

To ensure more timely disclosure of financial information, Article 36 of Securities and Exchange Act was recently amended. The amendment shortened the period of four months to make earlier disclosure to the public. Under the new requirement, an issuer shall announce to the public the financial reports, which have been duly audited and certified by CPAs within three months following the close of each fiscal year since year 2011.

6.2.2 Amending the Regulations of Financial Forecasts

The Authority promulgates the regulation, "Rules for Disclosure of Financial Forecasts by Public Company" to protect the informed right of investors. From December 2004, the FSC no longer requests public companies to disclose financial forecast when preparing for listing, or any significant change regarding business ownership, finance, and operation of company occurs. A public company may publish its financial forecast by summary financial forecast and complete financial forecast according the Rules voluntarily, and shall be disclosed on the "Market Observation Post System" （MOPS） website for market supervision purpose.

6.2.3 Integrated Public Disclosure System

To strengthen the public disclosure system, amended company law approves that public companies disclose financial and non-financial information online instead of newspaper only.（§28 Amended Company Law） TWSE & TPEx have already integrated the market monitoring and surveillance system. Currently, this system provides real-time stock trading information, related news, transaction data, alert, and financial business information of all the listed companies and securities dealers.

The Authority has already requested the TWSE and TPEx to enhance the English version of "Market Observation Post System" for assisting foreign investors to get quick understanding about Taiwan Capital Market, also encouraged public companies to establish their own English websites and construct investors service area on their homepage to strengthen company information transparency.

6.2.4 Adopting XBRL in Financial Reporting

XBRL (eXtensible Business Reporting Language) is a markup language used in business reporting. With the development of XBRL, the items and amount on the financial report will be bar-coded which can be recognized by computers. There will be a common e-language which helps communicate and analyze financial reports. Moreover, companies, investors, and authorities can use this global information supply chain to acquire, exchange, and analyze different information, a process that reduces the cost of producing and utilizing the information. Major securities markets in the world are making effort to promote XBRL in financial reporting. In addition to US's mandatory adoption of XBRL in 2009, countries such as Japan, South Korea, Singapore, and China have already adopted XBRL.

The FSC ordered TWSE and TPEx to plan 3 Stages for the adoption of XBRL on the basis of foreign experience. In Stage 1, all listed companies have adopted the IFRSs and XBRL for reporting all financial and business information since May 2013. In Stage 2, Listed Companies enlarged the reporting areas for future XBRL applications from 2014, including the items of "Accountants Report", "Accounts Receivable" , "Related Party Transactions" and " Information on significant transactions--The business relationship between the parent and the subsidiaries". The adoption of XBRL makes it easier for the users of

financial reports to analyze and transmit the accounting information set out in the reports. This information is uploaded and displayed on MOPS website.

6.2.5 Enhancement in Disclosure of Director & Supervisors Remuneration and Regulations on Remuneration Committees

To improve information disclosure of remuneration committees, FSC set up ‘‘Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter’’ which orders that companies shall, within 2 days counting from the date of occurrence of the event, publicly announce and report it on the information reporting website designated by the competent authority if they have the following situations:

- There is any appointment of, or change in, a member of the remuneration committee.
- The remuneration passed by the board of directors exceeds the recommendation of the remuneration committee.
- Any objections or reservations of matters in remuneration committee are expressed by, any committee member, expert, or other person those who have records or a written statement.

To provide better remuneration disclosure of Director & Supervisors, the FSC has issued remuneration disclosure requirements of Director & Supervisors in “Regulations Governing Information to be Published in Annual Reports of Public Companies” and “Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses”. Furthermore, file information on the remuneration of directors and supervisors by the filing deadline of annual financial report the information on remuneration paid to directors and supervisors for the most recent fiscal year; if the figure filed for any employee bonus distributed to directors is a proposed figure, the actual figure shall separately be filed within 10 days after the close of the fiscal year.

6.3 Improving Accounting System of Public Companies

6.3.1 CPAs’ due Diligence Responsibility

The new amendment of the “Securities & Exchange Act” dated on April 28, 2004 aggravates criminal responsibility for failure to state a material truthfully in a company financial report due to failure to audit in accordance with applicable laws and regulations and generally accepted audit principles by a certified public accountant. Amendment 2005 describes more clearly to identify civil liability of securities issuer and any responsible person whose signature on the fraud or misrepresentation financial statement (Article 20-1 of Securities & Exchange Act).

Except amending the regulations, the FSC continuing to strengthen the audit quality of the listed companies financial reports, and supervising CPAs’ audit quality by examining their working sheet. Any CPA who violates their responsibility, making false or misunderstanding in their audit report shall be punished, also, require the National Union of CPA Associations, R.O.C. to conduct “CPA Firms Rating System” to evaluate qualified CPA Firms.

An amendment to the Certified Public Account Act was promulgated by the President on 26 December 2007. The amended Act provides for the establishment of CPA firms with the status of a legal person, introduces CPA professional liability insurance, sets out stricter requirements regarding the independence of CPAs, strengthens the self-regulatory function of the CPA associations, sets out reasonable provisions governing CPA liability, and adopts stricter requirements regarding the management of CPA firms.

6.3.2 Adopting IFRS

IFRS (International Financial Reporting Standard) is becoming the only standard in global capital market. IFRS Adoption is also a trend in international capital market. FSC Mixed discretion international trends, in order to strengthen comparability between financial report of Taiwanese companies and international corporate, to enhance the international competitiveness of Taiwan's capital market and attract foreign investment in Taiwan's capital market, while reducing the domestic cost of overseas financing, at the end of 2008 decided to promote Taiwanese companies adopt IFRSs financial reporting, public company has fully adopted IFRSs respectively since 2012 and 2014 in phases.

Implementation of the outcome:

1. A public company filing IFRSs financial reporting on schedule: A public company since 2012 and 2014 in stages full integration IFRSs, and has successfully produced IFRSs financial report prepared on schedule to achieve policy objectives.
2. To promote non-public offering companies to adoption IFRSs: MOEA with reference to IFRSs were on June 18 and November 19 of 2014 amended Business Accounting Law and Commercial accounting treatment guidelines, with corporate accounting standards set communique from 2016 since implementation.
3. Fixed supervision regulations: Regulations supervision adjusted count more than fifty items, including the Securities and Exchange Act, the financial reporting guidelines for each industry and related supervision regulations and so on.

6.3.3 Expensing of Employee Profit Sharing

On December 28, 2012 the Authority issued an order (FSC Release No 1010059296) that required public companies to improve disclosures on employee bonuses information to better protect investors. The new disclosure requirement requested disclosure in a public company's annual financial report, shareholders' meeting handbook or TWSE's MOPS of the following information:

1. The employee stock bonus of public listed companies shall be determined by the closing price of the day before the meeting date, and taking into account the influence of the ex-right and ex-dividend factors; the employee stock bonus of unlisted companies that adopt IFRS since 2013 shall be determined by the listed companies' rules or based on IFRS 2 share-based payment if the stock has no market price; the employee stock bonus of unlisted companies not adopting IFRS shall be based on the nearest financial statement equity value audited by accountants.
2. Financial Statement attachments should reveal the flowing information:
    a. The Articles of Incorporation should reveal the employee bonus, and salary and rewards for directors and supervisors. Furthermore, it has to inform investors about information channels, which can provide meeting results from board of directors regarding the employee bonus and rewards for directors and supervisors.

b. The following information should be disclosed: the methods used to calculate employee bonus and director's rewards, the methods used to calculate shares of employee stock bonus, and the accounting practice for differentiates between the estimated amount and the actual amount of bonus.
c. The actual amount of employee bonus, and salary and rewards for directors and supervisors from previous year should be disclosed. Differentiates between actual amount and estimated amount should be fully explained by the company.

3. Resolution from board of directors' meeting regarding dividend policy and other related decisions should be post on M.O.P.S. and Proceeding of Paragraph. Those resolutions include:
   a. Dividend Policy:
      Resolutions regarding cash bonus, stock options, and reward for supervisors and directors.
      The differentiates between the actual amount and estimated amount listed as bonus should be explained
   b. Dividend policy made by meetings of shareholders, and meeting of board of directors should be disclosed. If any differentiate occurs between two resolutions, it should be fully explained.

6.4 Introducing More Institutional Investors to Engage the Corporate Governance

In order to change shareholders' structure of local companies, the Authority opens the market for Foreign Institutional Investors and enlarges "securities investment consulting enterprise or securities investment trust enterprise" with the business of investment with full discretionary authorization, also encourages foreign and institutional investors to engage in the corporate governance supervision, and influence local enterprise to construct their own corporate governance policy.

The FSC approved the enforcement of "Corporate Governance Best-Practice for Securities Investment Trust & Consulting Business" which promulgated by the "Securities Investment Trust & Consulting Association, R.O.C." (SITCA). SITCA also amended the "Ethics Codes for Securities Investment Trust Fund Management" and the "Conduct Guideline for Securities Investment Consulting Business Professionals"

for the above purpose.

Furthermore, the FSC cooperated with Ministry of Economic Affair (MOEA) to amend Article 181 of the “Company Act” to allow institution shareholders adopting “dividable votes” which any institution shareholder would divide its vote into “agree”, “object”, and “default” to satisfy their investors’ will. The purpose of this amendment is encouraging institution shareholders to make more influence on major issues of shareholders’ meeting and candidates of the Board as well, also may induce the development of communication voting.
Regarding electronic voting rules, upon the authority of Article 177-1 of the Company Act as amended on 4 January 2012, the FSC ruled that, beginning from 2012, any company listed on the Taiwan Stock Exchange or the Taipei Exchange that has capital of NT$10 billion and 10,000 shareholders shall be subject to the requirement to make electronic voting available at shareholders meetings. To advocate shareholder’s activism and enhance corporate governance, the FSC offered further voting facilities in November 2014 by amending the paid-in criteria of a public company that should adopt electronic voting: from a paid-in capital of at least NT$10 billion to NT$2 billion. The new FSC criteria is required to implement from 2016. In addition, any IPO company listed on the Taiwan Stock Exchange and the Taipei Exchange shall be subject to the requirement to make electronic voting available at shareholders meetings since 2016.

6.5 Orientations and Training of Directors, Supervisors and Internal Auditors

To urge corporate directors and supervisors to enhance their professional expertise and legal knowledge, the TWSE and TPEx Amended “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies”, which is advisable for a newly appointed person to complete a minimum of 12 hours of education in the year the person is appointed, and a re-appointed person to complete a minimum of 6 hours of education per year during the term of appointment. Topics are advisable for encompassing corporate governance related topics such as finance, risk management, business, commerce, legal affairs, accounting, and corporate social responsibility, or courses relating to internal control

systems or liability for financial reports. The regulator appointed SFI to provide orientation and continued training courses for all the new or experienced directors and supervisors. SFI provides practical training courses in the field of commercial laws, finance, and accounting practice to assist the board share a diversity of background, knowledge and experience. After taking courses, directors and supervisors will absorb related financial and legal knowledge for their benefits.

In order to improve Taiwan corporation management culture and international investors' understanding, the SFI also established continuing education channel for board members, held international corporate governance seminars, and participate international forums regarding corporate governance to animate the concept of corporate governance.

Besides, in order to improve the professional capabilities of internal auditors at public companies, and to enable internal auditors to play a bigger role and have greater impact, the FSC now requires both newly hired and midcareer internal audit personnel to complete an additional six hours of coursework beyond what had originally been required, which means that newly hired internal auditors must now complete 18 hours of continuing education within the first half year after being hired, and mid-career internal auditors must complete 12 hours of continuing education per year.

6.6 Enhancing Internal Control and Audit Systems of Public Companies

The Authority promulgates the "Regulations Governing Establishment of Internal Control Systems by Public Companies" based on Securities and Exchange Act Section 2, paragraph 1 of Article 14 to require those public companies execute internal control and audit system. With conducting project audits of CPA, the regulator decides to strengthen the efficacy of internal control, and upgrade the quality of accounting information. To implement the functions of corporate internal audit plan, the authority follows up the Sarbanes-Oxley Act of 2002, United States and auditing standard No. 2 released by PCAOB and announces new amendments in 2005. The new amendment aims to enhance the reliance of financial statements by improving procedures to ensure that all financial statements comply with the Generally Accepted Accounting Principles and all transactions are approved in due course. Also, the authority requires

public companies' internal control procedure shall include " related-party transaction management" and "procedures for preparing financial statements". CPAs shall issue their opinion concerning companies' internal control procedure and "supervision and management of subsidiaries".

Furthermore, as the result of 2008 financial crisis, the authority made special effort to strengthen companies' risk management in internal control. On March 18, 2009, the authority also amended "Regulations Governing Establishment of Internal Control Systems by Public Companies". The new version of the regulations includes how to respond to risk after risk assessment. Companies should take the result of risk assessment, risk preference, and capacity of risk into account when respond to risk.

Besides, the management of a TWSE/TPEx listed company shall pay special attention to the internal audit department and its personnel, fully empower them and urge them to conduct audits effectively, evaluate problems of the internal control system and assess the efficiency of operations to ensure that such a system can be carried out effectively on a continuous basis and can assist the board of directors and the management to perform their duties effectively so as to ensure a sound corporate governance system.

On 21 December 2011, FCS amended the Regulations Governing Establishment of Internal Control Systems by Public Companies and the Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets, which provide for implementing the launch of remuneration committees, to ensure that public companies are able to smoothly adopt international accounting standards and raise financial report quality and internal control objectives, and to establish, the components of internal control.

On 22 September 2014, the FSC amended the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and the "Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets" to coordinate with the release of "Internal Control Integrated Framework" (2013) by the Committee of Sponsoring Organizations [COSO] of the Treadway

Commission. The key points of the amendments, which are designed to accommodate the needs of the Taiwanese business community, and incorporate a wide range of outside input, include the following: (1)financial reporting objectives, which are one of the three principal internal control system objectives, have been revised into reporting objectives and five key constituent elements; (2)internal control operations are now required to cover audit committee agenda management, implementation of legal compliance, management of intellectual property rights, management of shareholder services, and management of the protection of personal data; (3)the amended Regulations provide stronger control of product safety, environmental safety, and workplace safety; (4) internal auditors are barred from giving or receiving improper benefits, and companies are required to establish a deputy system to ensure that someone is always on hand to fill in for an internal auditor who is temporarily away from the job; and (5) at financial service providers, the position of chief internal auditor can now be held concurrently.

6.7 Encourage Companies to Implement Corporate Governance

The regulator also involved in improving the corporate governance environment of securities and futures intermediaries, lots of best-practice codes have been promulgated for intermediaries to improve their corporate governance since 2003. CSA, together with TWSE and TPEx, jointly promulgated “Corporate Governance Best-Practice Principles for Securities Firms” in January 2003 (Full text of this best-practice principle can be read online at: http://www.csa.org.tw/downdoc/law/Governance.doc). Securities firms shall follow these Principles to establish a sound corporate governance system. Future firms, securities investment trust and consulting business are also required to follow their own “Corporate Governance Best-Practice Principles”. Other financial industries also establish their own best-practice principles of corporate governance under the suggestion of their own administration, such as, “Corporate Governance Best-Practice Principles for Financial Holding Companies”, “Corporate Governance Best-Practice Principles for Banks”, and “Corporate Governance Best-Practice Principles for Insurance Companies”.

By exercising the pressure through market mechanisms, the Authority

expects to guide companies to establish good corporate governance and to implement the Taiwan Corporate Governance Code. For the purpose mentioned above, the Authority established a "Corporate Governance Bulletin board" on its website (http://www.sfb.gov.tw/en/home.jsp?id=25&parentpath=0,8) to provide the related regulations, guidelines, and FAQ for the public. Moreover, the Authority require related SROs should establish "corporate governance section" on their website to promote the concept and principles.

Following are the websites' IP for reference:

1. Taiwan Securities Exchange: http://cgc.twse.com.tw/frontEN/index
2. The Taipei Exchange: http://www.tpex.org.tw/web/regular_emerging/governance/corporate_governance_01.php?l=en-us
3. Securities and Futures Investors Protection Center: http://www.sfipc.org.tw/english/main.asp
4. Corporate Governance Association: http://www.cga.org.tw/default.aspx?lan=eng
5. Securities & Futures Institute: http://www.sfi.org.tw/en/index.aspx
6. Institute of Internal Auditors : http://www.iia.org.tw/en/index.aspx
7. Business Council for Sustainable Development of Taiwan: http://www.bcsd.org.tw/en/BCSD-Taiwan

6.8 Enhance Corporate Social Responsibility and Ethical Corporate Management

Corporate Social Responsibility (CSR) generally refers to when corporations are generating profits and being responsible to the interests of shareholders, and concurrently striving for all stakeholders to achieve economic prosperity, social welfare, and environmental sustainability.

The global financial crisis puts in focus the importance of ethical operation by companies and enterprises. In addition to procuring the establishment of the code of ethical operation for public companies by relevant securities authorities, this Commission also organizes seminars, symposiums or training sessions every year to promote the responsibilities of directors (including independent directors) and to provide companies with reminders of possible forms violations of

regulations or illegalities as reference to corporate management. In order to consolidate the consensus of ethical operation by public companies, reinforce corporate governance and promote enterprise social responsibilities, the Commission procures that the TWSE and the TPEx organize relevant ad hoc events such as the "Seminar for Ethical Operation and Enterprise Corporate Responsibility", for which enterprise owners are invited to share relevant practical understanding and results of their experiences, leading enterprises to gradually implement the ideology of ethical operation and fulfillment of enterprise social responsibilities. The specific practices are:

1. Reinforce the promotion of Corporate Governance and Moral concepts to listed companies.
   (1) Require TWSE, TPEx, SFI, and TCGA to enhance the concept of Corporate Governance, to put corporate managers' responsibility into practice, to hold seminars to promote Corporate Morality, and make Corporate Governance prevailing through policy and trainings.
   (2) In order to regulate listed companies board members and supervisors morally, the TWSE and TPEx compiled "Moral Standard Best-Practice Guidance for Listed Companies" .Listed companies should act in accordance to the guidance.
   (3) The 「 TWSE/TPEx-Listed Companies' Ethical Corporate Management and CSR forum 」are hold by TWSE and TPEx annually which arrange small-sized seminars as well to support enterprises to establish and implement internal regulation.
   (4) TWSE and TPEx build up 「Corporate Social Responsibilities Zone」 in their official websites to not only educate enterprises to implement CSR but also support them with related materials on various cases and topics on CSR. TWSE/TPEx compose CSR guideline for public listed companies as reference of Corporate Sustainability and Social Responsibility Report.
2. Provide listed companies with "Corporate Social Responsibility Code of Guidance".
   (1) Listed companies should disclose how they perform social responsibility in annual report and prospectus. This should include the structure and result of carrying out social responsibility program in environment, community service, social welfare, consumer rights, human rights, safety and sanitation, and other social responsibility. Information Disclosure and Transparency Ranking System has put these items into evaluation.

(2) According to Corporate Governance Best-Practice Principles for TWSE/ TPEx Listed Companies, listed companies should out emphasis on social responsibility. Corporate Governance Ranking System has put the execution of social responsibility into evaluation.

(3) To assist to help listed companies better understand and implement relevant Corporate Integrity listed companies to fulfill their corporate social responsibility and to promote economic, social and environmental balance and sustainable development, the TWSE and the TPEx jointly adopt the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx-Listed Companies" for companies' reference in establishing their own corporate social responsibility principles

3. Develop “Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Comp”

(1)To help listed companies better understand and implement relevant Corporate Integrity, FSA ordered TWSE and TPEx to issue “Corruption and Corporate Integrity Code of Guidance” on September 3, 2010.

(2) TWSE/TPEx-listed companies shall disclose the status of the enforcement of their own ethical corporate management best practice principles on their company websites, annual reports and prospectuses.

(3) FSC supervised TWSE and TPEx to promulgate ” O O Limited ethical operating procedures and business conduct guide” on 12th August 2011 to help directors, supervisors, managers, employees of TWSE/TPEx-listed companies or persons having substantial control over such companies implement Ethical management in business operation.

4. Requiring certain listed companies to compile CSR Reports

Listed companies in the food industry, in a group of specific companies with dining service revenue at over 50% of total revenue in the most recent year, in the financial service industries, in the chemical industry, and companies with paid-in capital above NT$10 billion are required to compile CSR Reports annually under the new FSC criteria amendment on 18 September 2014. Listed companies with paid-in capital above NT$5 billion have been also required to compile CSR Reports annually since 2017.

6.9 The Protection Mechanism for Investors

6.9.1 Securities Investors and Futures Traders Protection

The Securities and Futures Investors Protection Center (SFIPC) was established pursuant to the provisions of the "Securities Investor and Futures Trader Protection Act." Its services include mediation, class action litigation, derivative suit, discharge suit, fund payment etc. In addition, the SFIPC can act as a shareholder to engage in shareholder activism and monitor company matters that involve investor interests and corporate governance issues. Ever since its founding, the SFIPC has worked to protect and serve investors. Its demands for better corporate governance, and its efforts to safeguard shareholder interests, have proven very helpful.

According to Article 28 of the Act, the protection institution may bring an action or submit a matter to arbitration in its own name with respect to a single securities or futures matter injurious to a majority of securities investors or futures traders, after having been so empowered by not less than 20 securities investors or futures traders. The securities investors or futures traders may withdraw the empowerment prior to conclusion of oral arguments or examination of witnesses and shall provide notice to the court or arbitration tribunal. Up to January 12, 2005, adopted 20 compensation claim cases, and filing 17 of them to the court. Accumulated 20, 614 investors registered, and the compensation amounts to NT$ 10.75 billion. In addition, according to Article 41 of the “Civil Litigation Law”, persons who involved in the same issue shall decide one or more plaintiffs to acting as a procurator for this claim, that is, our legal system permit shareholder to file a class-action lawsuit.

Besides, in order to protect shareholder rights and prevent too many shareholders meetings from being scheduled on the same day, the FSC has instructed the TWSE and the TPEx to set up the registration systems platform for the Mechanism for Advance Reporting of the Dates of Ordinary Shareholders Meetings of Companies Listed on the TWSE, TPEx, or Emerging Stock Market by 31 January 2010, and to begin familiarizing listed companies with the mechanism. In addition, amendments to Article 183, paragraph 3 and Article 230, paragraph 2 of the Company Act has changed the requirements governing how public companies notify shareholders of upcoming regular (and special)

shareholders meetings, and how they distribute notification of shareholders meeting minutes and material resolutions. As a result, shareholders meeting minutes and material resolutions may now be distributed to all shareholders, regardless of the size of their holdings, by means of public announcement.

Moreover, In order to provide local investors with convenient access to the investor alerts disseminated by the International Organization of Securities Commissions (IOSCO), the FSC asked the Taiwan Securities Association (TSA) to set up an investor alert section on its website, and the TSA responded by launching an investor alert service (http://web.twsa.org.tw/alert) on 1 June 2010 to inform website visitors of notices issued by securities and futures authorities around the world to warn investors of illegal financial institutions, unapproved financial instruments, and scams. Investors can also link to the TSA alert service from the websites of the FSC Securities and Futures Bureau, the Securities Investment Trust and Consulting Association of the R.O.C. (SITCA), and the Chinese National Futures Association. Investors are advised to take full advantage of this service so as to avoid getting scammed or suffering losses from the purchase of illegal offshore financial instruments.

6.9.2 The Financial Consumers Protection

The Financial Consumer Protection Act on 3 June 2011 passed its third and final reading at the Legislative Yuan, which passed a concurrent resolution requiring the FSC to establish a financial consumer dispute resolution body by 31 December 2011. This body will provide a non-litigious method of handling disputes over financial transactions, and promises to advance the protection of financial consumers in Taiwan to a whole new level. The purpose of the act is to protect the interests of financial consumers, who are generally at a disadvantage when disputes arise. In addition to providing for the establishment of a dispute resolution body to provide speedy and fair handling of disputes, the act also sets out a number of other provisions for the protection of financial consumers, including the following: (1) financial literacy campaigns; (2) fair contracts; (3) truth in advertising; (4) a requirement for financial services firms to fully understand their customers and ensure that they are sold products that are suitable for them; and (5) a requirement for

financial services firms to fully disclose product information and the associated risks. After the act enters into force, it will provide for stronger protection of the interests of financial consumers, bolster their confidence in the marketplace, and spur sound development of our financial markets.

The FSC on 12 December 2011 issued six pieces of secondary legislation upon the authority of the Financial Consumer Protection Act. These include: (1) definitions of the meanings of the terms "qualified institutional investors" and "prescribed level of financial capacity or professional expertise", issued under the authority of Article 4, paragraph 2; (2) the Regulations Governing the Advertising, Solicitation, and Sales Promotion Activities of Financial Services Enterprises; (3) the Regulations Governing the Measures of Financial Services Firms to Ensure the Suitability of Financial Services and Products to Financial Consumers; (4) the Regulations Governing the Measures of Financial Services Firms to Explain Important Contract Content and Disclose Risks Prior to the Sale of Financial Services and Products; (5) the Regulations Governing the Establishment and Administration of the Financial Consumer Dispute Ombudsman Body; and (6) Regulations Governing Qualification Requirements for Members of the Financial Consumer Dispute Ombudsman Body and Ombudsman Hearing Procedures. All of these regulations will enter into force on 30 December 2011 along with the Financial Consumer Protection Act.

On the 2nd January 2012, the launch of the Financial Ombudsman Institution (FOI) was announced. When a financial consumer files a complaint with a financial services provider, the latter is required within 30 days of the filing date to handle the complaint and notify the complainant of how the matter was handled. A consumer who is unsatisfied with how the complaint was handled, or who does not receive a response within 30 days, may within 60 days thereafter apply to the FOI to have a mediator assigned to handle it. If any party to the dispute does not agree to participate in mediation proceedings, or if mediation proceedings fail to achieve a resolution, the FOI shall then step in as ombudsman to hear the case and issue an ombudsman decision. This process ensures effective handling of financial consumer disputes. The FSC will work with the FOI to actively conduct education and awareness programs for financial services enterprises and financial consumers, and to establish an efficient, fair, and reasonable ombudsman mechanism for

the hearing of financial consumer disputes, thereby ensuring that the general public will regard the mechanism as reliable and trustworthy. The information of the FOI shows on the websites http://www.foi.org.tw/EN/.

6.10 The Investigation and Enforcement Power of Securities Authority

The “Securities & Exchange Act” authorized the authority to execute investigation and administrative sanction for violating laws cases, and also, rule criminal disposition. In addition, Article 5 of the “Organization Act of Financial Supervisory Commission” prescribe the FSC may request any financial institution and its affiliated persons to provide their account books, documentation, and computer files, or inform all examinee report to the appointed office for further interpellation. If any criminal suspect involved, the FSC may acquire the permission of the prosecutor and apply a search warrant from the court for further investigation. As a matter of fact, the establishment of the FSC enhances the power of investigation and enforcement.(An amendment to the "Organic Act of the Financial Supervisory Commission" was promulgated on 29 June 2012 and entered into force on 1 July. The official name of the FSC has been changed from "Financial Supervisory Commission, Executive Yuan" to "Financial Supervisory Commission".)

Regarding the manpower for violation investigation, there are about 170 people from TWSE & TPEx to assist competent authority to monitor market transactions. In addition, any violation involved criminal activity shall be taken over by jurist department. There are more than 2,500 professionals from the “Bureau of Investigation Ministry of Justice” and about 1,000 prosecutors devote to the related investigation.

Rigid civil law approach makes it a barrier to file a lawsuit against directors and supervisors. Disqualified or unlawful directors and supervisors actually do not worry about the lawsuit since the proceeding will last for years. For example, the Company Law allows institutional or government shareholders to appoint their representatives as directors and supervisors, and this inherent conflict of interests essentially against the rules that a supervisor shall not concurrently be the director of the company, with the result, the affiliation between supervisor and major shareholders has weakened their functions. Taiwan government is aware of the defects of the system function, and currently engaging in the

following issues to rectify Taiwan corporate governance. To make an easier filing of derivative lawsuit, the amended company law recently has loosened the criteria. Any shareholder owning 3% of a company 's share over a year, instead of 5%, may petition supervisor to sue directors. If the supervisor fails to do so within 30 days, the same shareholder may file the lawsuit for company's interest (§214 of Company Law).

Article 181-1 of Securities & Exchange Act requires jurisdiction system to constitute a professional court to examine the market criminal suspects for assuring the trial is under the verdict of a judge who owns knowledge of securities market and economic criminals. Taipei District Court has set up 3 Special Courts of finance to handle major financial and highly controversial cases since August 28th, 2008. In addition, the Ministry of Justice (MOJ) has adopted "Financial Professional Program Level I, II, III" for prosecutors and investigative officers. The MOJ required the prosecutors, police, and investigative officers handling the financial crime case with Level II Financial Professional license since July 1, 2010.

6.11 The Management of Companies' Shareholder Services

To maintain fairness of shareholder services and protect shareholder's interest and rights, the following measure are adopted by the FSC.

1. The FSC supervised and directed TWSE/TPEx to amend on 28 December 2012 ''Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings'', ''Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEx''and ''Taipei Exchange Rules Governing the Review of Emerging Stocks for Trading on the TPEx'' to require that A listed company that was listed at any time from 2 January 2013 onward shall engage a professional shareholder services agent to handle shareholder services, and may not take those services back into its own hands. An emerging company that was engaged a professional shareholder services agent to handle shareholder services may not take those services back into its own hands as well.
2. In order to protect the interests of shareholders, and to strengthen regulation of the shareholder services of public companies, the FSC on 11 April 2013 amended the "Regulations Governing the Administration of Shareholder Services of Public Companies." Key

points of the amendments as follows:

(1) for companies wishing to switch from outsourced to inhouse handling of shareholder services, the eligibility requirements have been tightened;

(2) companies makes a change in its shareholder services agent, the company shall in each case do so through the passage of a resolution by the board of directors, and after entering into an agreement with the new shareholder services agent, shall report the matter to the institution designated by FSC for recordation;

(3) when a company that is listed handles its own shareholder services, if it is deemed likely by any shareholder who has held 3 percent or more of the total issued shares of the company for a continuous period of one year or more, or by the Securities and Futures Investors Protection Center, that the company's handling of matters relating to shareholders meetings is detrimental to shareholder rights and interests, may apply to the institution designated by TDCC to have the upcoming shareholders meeting handled by a shareholder services agent.

Appendix I Important Event (2014/10 ~2015/11)

Date	Event	Reference Code
2014/11/12	Listed companies with a paid-in capital of at least NT$2 billion shall be subject to the requirement to make electronic voting available at shareholders meetings since 2016	6.4
2015/1	Listed companies hold their general shareholders meeting shall be no more than 100 companies on a single day since 2015.	4.5.3
2015/1	IPO companies listed on the Taiwan Stock Exchange and the Taipei Exchange shall be subject to the requirement to make electronic voting available at shareholders meetings since 2016	4.5.1.2 6.4
2015/1	To facilitate the voting by foreign shareholders, TDCC provides the “International Voting Strait Through Process（STP）” service since 2015.	4.5.1.2
2015/3/4	The FSC amended the Regulations on March 4, 2015 to strengthen regulation of shareholders meeting proxies.	4.5.2
2015/4/2	The Corporate Governance Center released the results of the 12th Information Disclosure Ranking System	4.6.6
2015/4/30	The Corporate Governance Center released the results of the 1st Corporate Governance Evaluation	4.6.7
2015/6/29	The TWSE and TPEx compiled and launched the “TWSE Corporate Governance 100 Index” and ” TPEx Corporate Governance 60 Index”, respectively	5.1.3
2015/10	To enhance this nomination system, newly listed company on the TWSE and the TPEx shall in its articles of incorporation specify to adopt nomination system for election of director and supervisor.	4.5.1.4
2015/10	Listed companies with paid-in capital above NT$5 billion have been required to compile CSR Reports annually since 2017	6.8

Appendix II List of Short-Swing Profit Disgorgement Against Insiders (1995-2014)

Year	No. of Total Cases	Accrued Disgorged Amount	No. of Disgorged Cases	Realized Disgorged Amount
1995	186	83,820,842	186	73,178,590
1996	215	172,609,117	215	153,304,443
1997	420	265,703,236	418	169,081,856
1998	353	986,116,196	347	111,296,617
1999	416	224,661,201	416	188,881,366
2000	441	233,376,966	439	185,195,578
2001	321	83,974,981	321	82,212,818
2002	351	106,453,696	351	105,064,181
2003	502	51,474,426	502	51,035,665
2004	635	87,497,860	632	81,192,811
2005	360	57,373,111	360	57,373,111
2006	325	187,959,260	323	184,542,872
2007	391	109,236,112	389	107,542,556
2008	338	86,720,877	336	84,989,539
2009	313	102,153,563	312	102,138,774
2010	318	98,782,303	318	98,782,303
2011	291	86,082,663	291	86,082,664
2012	214	35,701,205	188	30,629,200
2013	288	67,145,752	286	48,066,222
2014	279	58,498,512	278	58,479,406
Total	6,957	3,185,341,879	6,908	2,059,070,572

Source: Securities and Futures Investors Protection Center, http://www.sfipc.org.tw/english/main.asp