

ACGA
 Relationship Internal Market
 External Voting CSR **Fostering** Board Contemporary
Corporate Governance
 Directors Sustainable **To** ESG **Attract** Business Control
 Policies Market Provide **Foreign Investors** Case Security
 Infrastructure
 Companies Issuers Case Corporate Regulator Stakeholders **Asset**
 External Financial Monitoring Entities Systems Voting
 Shareholders Management
 CSD



TDCC

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Issuer Services Dept.
 Taiwan Depository and Clearing Corp

Mar 2019

Agenda



1

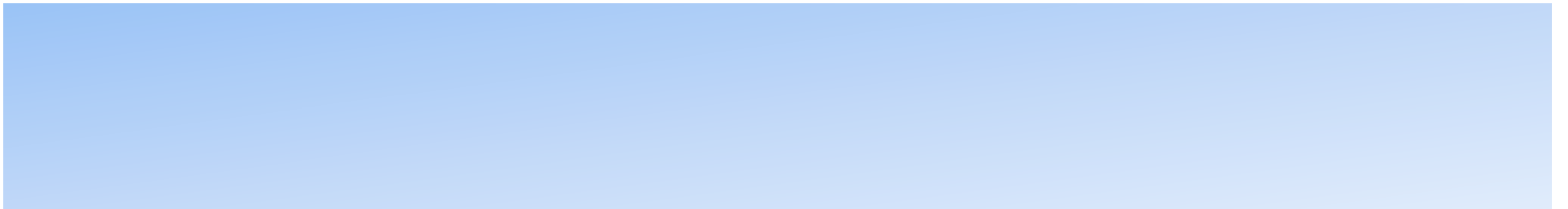
Trends in Corporate Governance

2

TDCC's plan in corporate governance

3

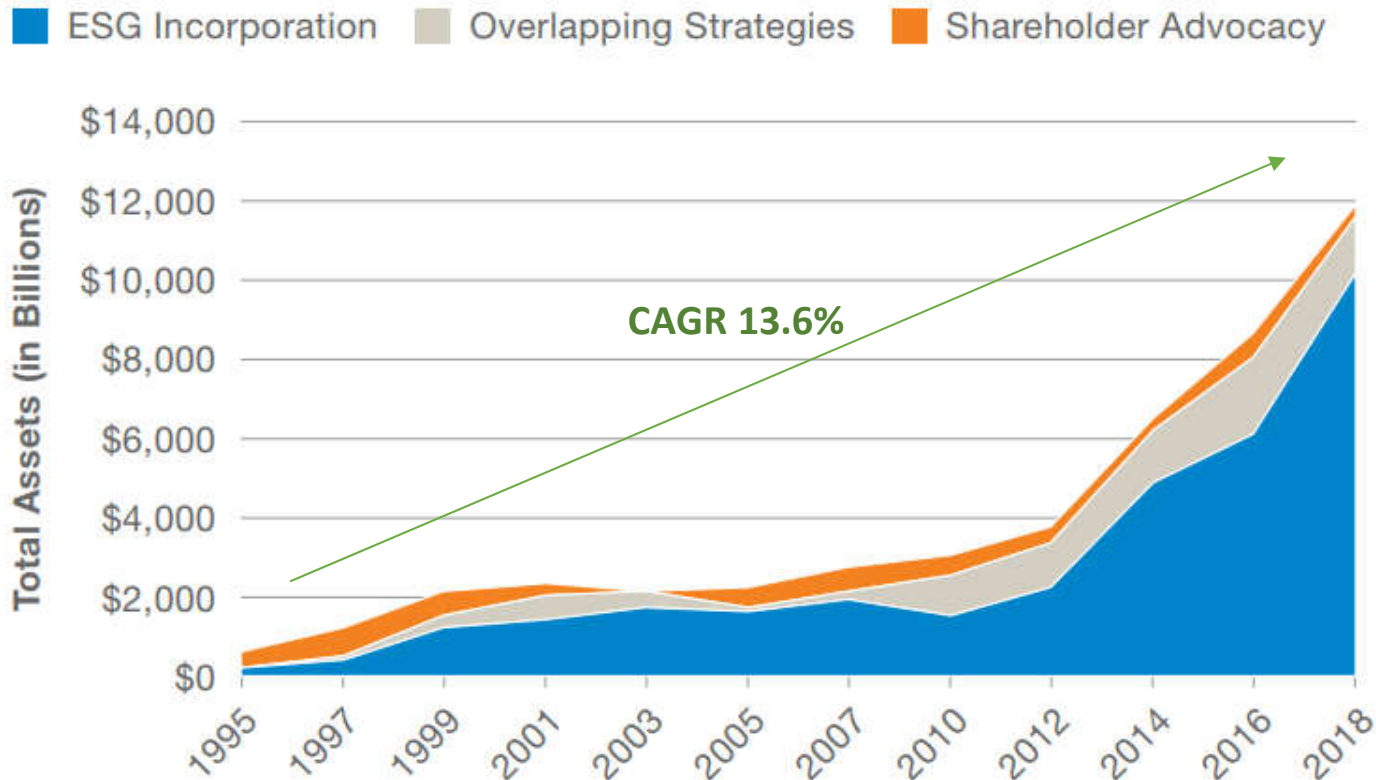
Value created by TDCC



1. Trends in Corporate Governance

- Remarkable growth of sustainable, responsible and impact (SRI) assets
- AUM: USD 12 trillion in the US, over USD 23 trillion globally ¹

Sustainable and Responsible Investing in the United States (1995–2018)



Source: US SIF Foundation

Note 1: estimated by Global Sustainable Investment Alliance

1. Trends in Corporate Governance

Market	Score (%)
1. Australia	71%
2. Hong Kong	60%
3. Singapore	59%
4. Malaysia	58%
5. Taiwan	56%
6. Thailand	55%
=7. India	54%
=7. Japan	54%
9. Korea	46%
10. China	41%
11. Philippines	37%
12. Indonesia	34%

Source: Asian Corporate Governance Association

CG Watch 2018

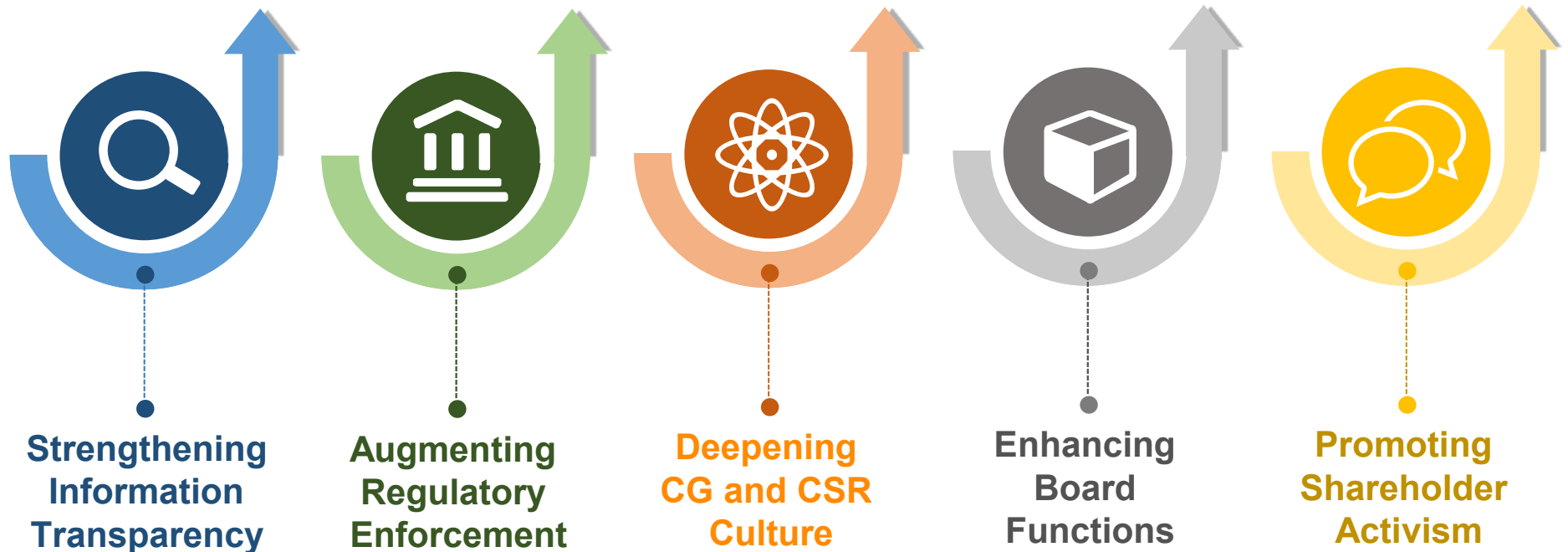
“Momentum continues on CG reform, agency integration, and enforcement”

– Highlight for Taiwan market, CG Watch 2018

1. Trends in Corporate Governance

- In Taiwan, the Financial Supervisory Commission (FSC) announced Corporate Governance Road (2018~2020)

5 Action Plans



2. TDCC's plan in corporate governance

Electronic Proxy Voting

2009 ◆ Stockvote Platform

- Cross Border Voting STP
- Fintech Development – Stockvote APP

2018 ◆ 100% Milestone achieved

- **Sizzling** e-voting performance
- **ALL** listed companies have adopted e-voting in Taiwan

IR Platform

2019 ◆ ESG Solution

- Provide ESG Ratings to Issuers
- CG news and trends

◆ IR Solution

- IR contact information for engagement

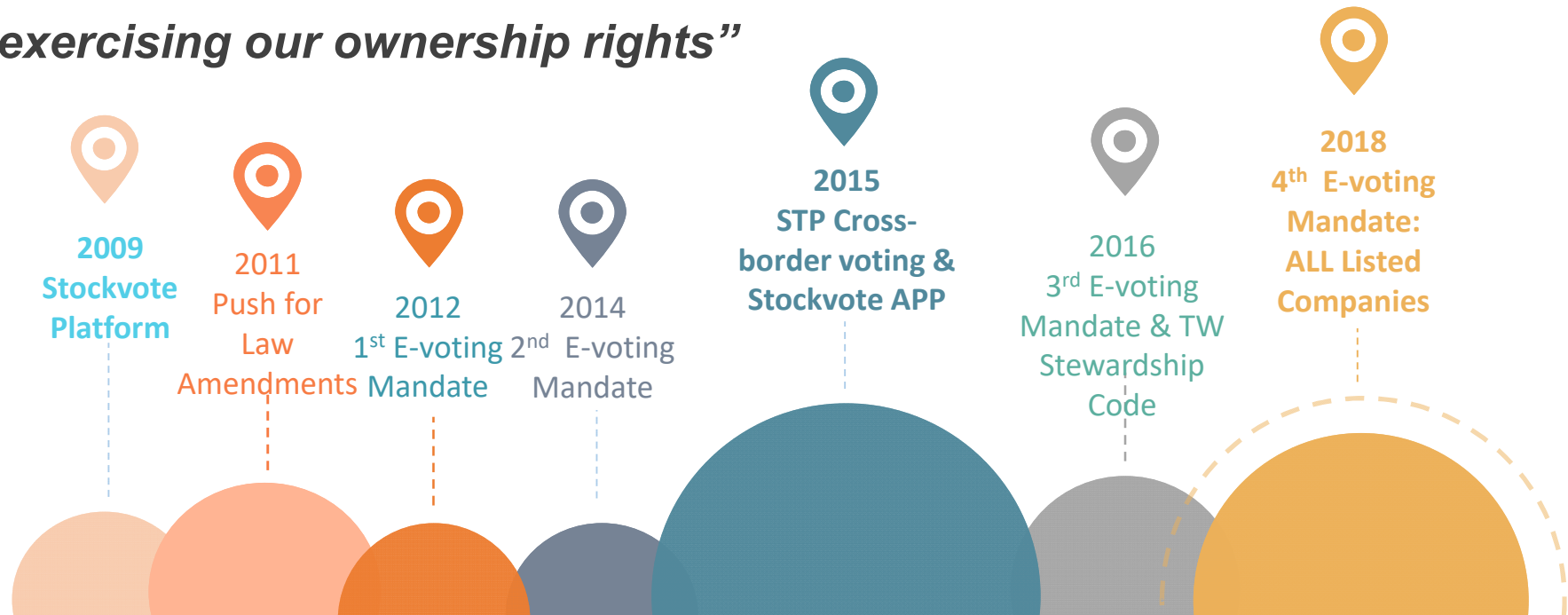
Engagement

Transparency

Promotion of
ESG

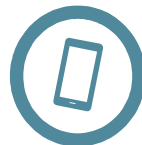
2. TDCC's plan in CG – Electronic Proxy Voting

“Voting is one of the most important tools we have for exercising our ownership rights”



Cross Border Voting STP :

- ✓ Link with Broadridge
(linkage with ISS to be launched in 2019)
- ✓ Efficiency Increase



Stockvote APP :

- ✓ Fintech for CG
- ✓ Voting Made Easy

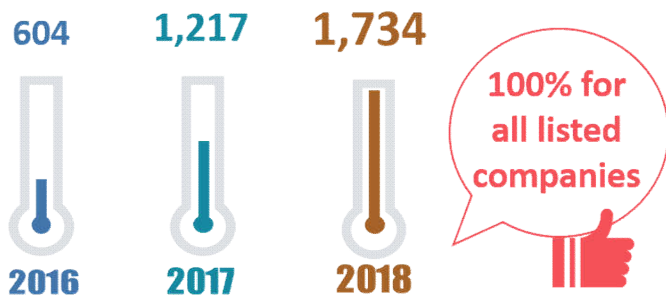


CG Watch 2016 :

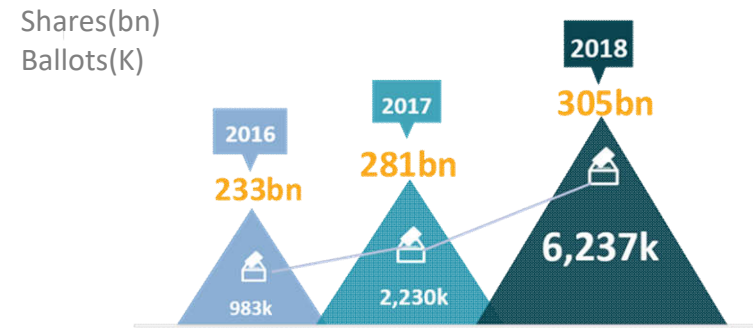
“Sizzling”
E-voting Performance

2. TDCC's plan in CG – Electronic Proxy Voting

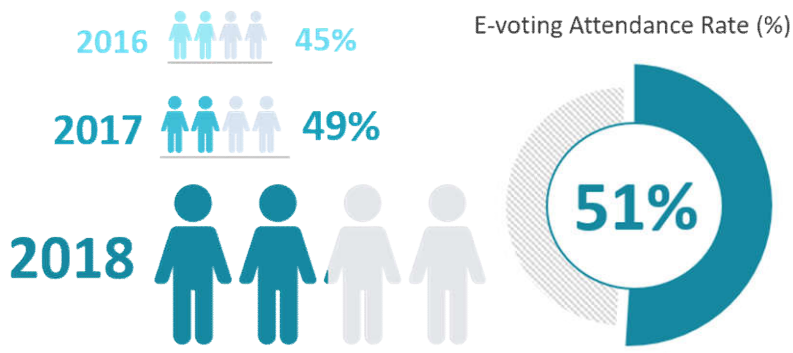
No. of E-voting Companies **Increases Over Years**



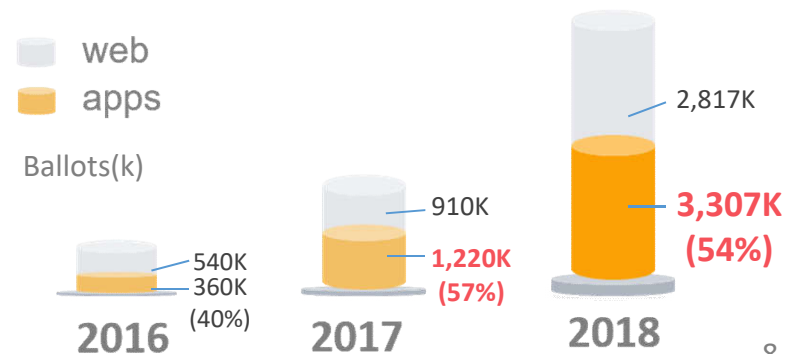
Great Leap in both the no. of E-voting Shares and Ballots



E-voting becomes **Significant** in meeting outcomes



For individual investors, although % of votes from Apps went slightly down, the total votes from Apps increased by **1.7 times** in 2018



2. TDCC's plan in CG – IR Platform



One-Stop ESG and IR solutions for issuers and institutional investors



ESG solution

- ✓ ESG rating from Sustainalytics, covering **400 companies**
- ✓ CG news and trends



- Cooperation with other ESG firms
- Developing engagement channel between ESG firms and Issuers



IR solution

- ✓ IR contact information of **all listed companies**

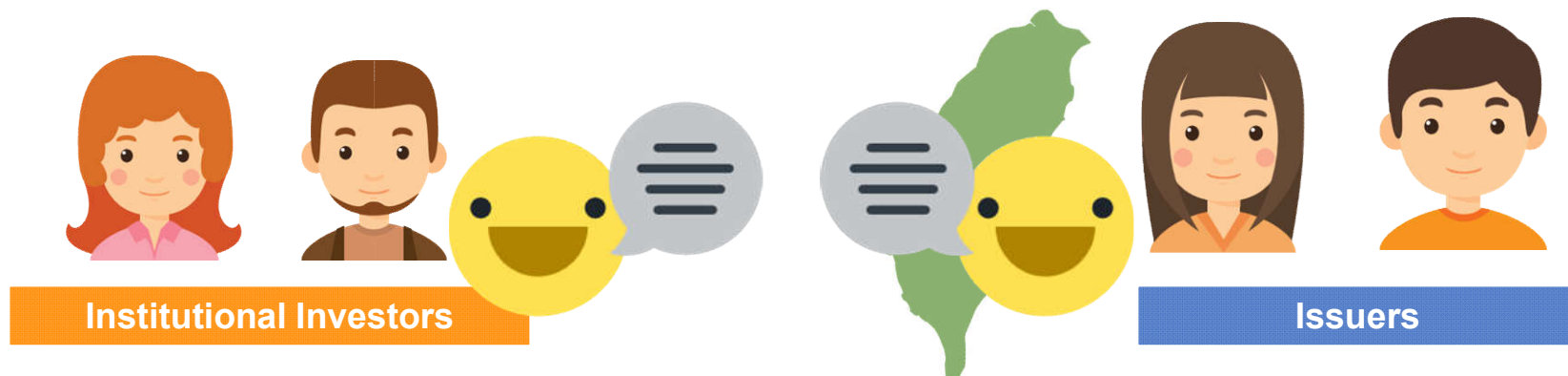


- Providing voting guidelines and records

3. Value created by TDCC

- TDCC shares the same vision with long-term investors
- **Follow the money**

Better governance \oplus More engagement $=$ Market value 



“ Long-term return is dependent on sustainable development and well-functioning markets”
<NBIM: Responsible Investment 2017>



Thank You !!