

# **2014 Corporate Governance Evaluation Results in Taiwan**

Conducted by the Securities and Futures Institute  
Entrusted by Taiwan Stock Exchange Corporation &  
Taipei Exchange

**Despite all reasonable care given in the screening process to ensure objectivity, the SFI bears no responsibility in case of any damage or loss incurred from use of the evaluation results.**

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## **About “Corporate Governance Evaluation System”**

In response to rapid developments in corporate governance reforms in neighboring countries, the Financial Supervisory Commission ("FSC") issued a 5-year "Corporate Governance Roadmap" in December 2013, aiming to accelerate the implementation of corporate governance among Taiwanese listed companies, assist companies with sound development and boost market confidence. According to the roadmap, the implementation of corporate governance evaluation is one of the major projects of 2014 with the goal to assist investors and companies in better understanding the performance of corporate governance by comparing the evaluation result among companies.

In 2014, the Taiwan Stock Exchange Corporation (“TWSE”) and the Taipei Exchange (“TPEX”) launched “Corporate Governance Evaluation System”, conducted by the Securities and Futures Institute (“SFI”). The FSC believes this evaluation system will make companies take corporate governance more seriously, encourage healthy competition among companies and cultivate a culture that companies voluntarily improve their corporate governance.

Following the roadmap, the 2014 full-year top 20% evaluation results were released on April 30, 2015. In the 798 TWSE listed and 595 TPEX listed companies, 160 TWSE and 119 TPEX listed companies were evaluated as top 20%. For full evaluation results, please visit website at <http://cgc.twse.com.tw/frontEN/index>.

## **Evaluation Indicators**

The objective of corporate governance evaluation is not only to improve corporate governance, but also to be in line with international standards. In addition to the consideration of the relevant laws and regulations of Taiwan, such as the Securities and Exchange Act, the Company Act, rules of TWSE/TPEX and “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies,” the design of the evaluation indicators adopts the latest Organization for Economic Co-operation and Development ("OECD") Principles of Corporate Governance, refers to Corporate Governance Survey and Questionnaires in CG Watch 2012, Association of Southeast Asian Nations ("ASEAN") Corporate Governance Scorecard and Information Transparency and Disclosure

Ranking System for listed companies conducted by the SFI since 2003.

The evaluation indicators comprise the following 5 categories and 92 indicators. The categories of the evaluation indicators and their weight are shown as Table 1:

Table 1: Categories of Indicators and Weight

Category		Number of Indicators	Weight Assigned
I	Protection of Shareholders' Rights	13	15%
II	Equitable Treatment of Shareholders	14	15%
III	Board Composition and Management	30	35%
IV	Information Transparency	21	20%
V	Protection of Stakeholder Interests and Corporate Social Responsibility	14	15%
Total		92	100%

### **Companies Covered**

Except some companies with inadequate data (listed after January 1st, 2014) or regulatory enquires, all TWSE/TPEX-listed companies were covered by the Corporate Governance Evaluation System.

### **Scope of Information to be Evaluated**

The evaluation will be based on the matters relating to corporate governance which are disclosed on the Market Observation Post System ("MOPS"), in annual reports and on the company official websites, events relevant to corporate governance that occurred in the evaluated period, information on the operation or exercise of duties at the shareholders' meetings, board meetings and independent directors and relevant FSC, TWSE and TPEX supervision records.

## **List of the evaluation results (in company code order)**

### ● TOP 5%

In total, 40 TWSE and 30 TPEX listed companies were evaluated as top 5% in 2014.

### **TWSE Listed Companies**

Code	Company Symbol	Code	Company Symbol	Code	Company Symbol
1102	ACC	1216	UNI-PRESIDENT	1504	TECO
1789	SPT	2201	YL	2204	CMC
2303	UMC	2308	DELTA	2324	Compal
2325	SPIL	2330	TSMC	2337	Macronix
2344	WEC	2352	Qisda	2409	AUO
2412	CHT	2603	EMC	2607	EITC
2809	KTB	2823	CHINA LIFE	2834	TBB
2855	PSC	2856	ML	2881	Fubon Financial
2882	CATHAY HOLDINGS	2884	E. S. F. H	2885	Yuanta Group
2886	MEGA FHC	2887	TSFHC	2892	FFHC
2912	PCSC	3045	TWM	3231	Wistron
3443	GUC	4904	Far EastTone	5871	Chailease
6282	AcBel	9904	PCC	9933	CTCI
9940	Sinyi Realty				

### **TPEX Listed Companies**

Code	Company Symbol	Code	Company Symbol	Code	Company Symbol
1580	SINMAG	1777	SYN-TECH	3068	MAG.
3093	TKK	3105	WIN	3489	Sun Brothers
3526	ALLTOP	3527	MBI	3594	ARBOR
3623	TTI	3658	HMI	4126	PAHSCO
4152	TLC	4974	ATII	4979	LuxNet
4987	GODEX	5209	ACS	5227	Aleees
5347	VIS	5371	Coretronic	5425	TSC
5483	SAS	5530	LUNG YEN	5820	JIHSUN FHC
5904	Poya	6016	concorde	6023	Yuanta Futures
6147	CHIPBOND	6263	Planet	6803	KD Holding

● TOP 6 to 20%

In total, 120 TWSE and 89 TPEX listed companies were evaluated as top 6% to 20% in 2014.

**TWSE Listed Companies**

Code	Company Symbol	Code	Company Symbol	Code	Company Symbol
1301	FPC	1303	NPC	1304	USI
1314	CPDC	1326	FCFC	1402	FENC
1409	SSFC	1434	F. T. C	1477	Makalot
1590	AIRTAC	1605	WALSIN	1609	TA YA
1711	EVERLIGHT	1717	ETERNAL	1720	S. C. P. C
1722	TFC	1904	Cheng Loong	2002	CSC
2014	CHUNG HUNG	2023	YP	2062	SSM
2104	CSRC	2208	CSBC	2301	LTC
2312	KINPO	2317	HON HAI	2353	ACER
2356	INVENTEC	2357	ASUSTEK	2367	UNITECH
2377	MSI	2382	QCI	2385	CHICONY
2401	SUNPLUS	2402	ICHIA	2414	UT
2417	AVERMEDIA	2439	MERRY	2449	KYEC
2451	Transcend	2460	GEM	2480	STARK
2492	WTC	2498	HTC	2501	CATHAY RED
2515	BES	2606	U-MING	2609	YMTC
2610	CAL	2615	WANHAI	2618	EVAAIR
2712	FGH	2722	Chateau	2820	CBF
2832	TFMI	2851	Central Re	2867	Mercuries Life
2880	HNFHC	2883	CDIBH	2888	SKFH
2889	Waterland	2890	SINOPACHOLDINGS	2891	CTBC HOLDING
2903	FEDS	2908	Test Rite	3026	HOLY STONE
3034	NOVATEK	3036	WT	3037	UNIMICRON
3042	TXC	3044	Tripod	3167	TA LIANG
3189	KINSUS	3450	ELASER	3474	Inotera
3481	INX	3504	Young Optics	3532	FST
3573	ENTIRE	3576	NSP	3622	YFO
3653	JENTECH	3669	AVer	3673	TPK
3698	Lextar	3702	WPG	3704	Unizyx
4119	SCI	4916	PARPRO	4938	Pegatron
4958	ZDT	4994	X-LEGEND	5007	SAN SHING
5203	CyberLink	5243	ESON	5471	SONIX
5521	KSECO	5880	TCFHC	6183	TRADE-VAN
6196	MIC	6202	HOLTEK	6213	ITEQ
6239	PTI	6277	ATEN	6285	WNC
6505	FPCC	8021	Topoint	8039	TAIFLEX
8046	N. P. C	8112	Supreme	8114	POSIFLEX

Code	Company Symbol	Code	Company Symbol	Code	Company Symbol
8131	FATC	8422	Cleanaway	9802	Fulgent Sun
9906	HSIN BA BA	9907	TON YI	9910	FT
9941	TAC	9945	RUENTEX DEVELOP	9946	SanFar

### **TPEX Listed Companies**

Code	Company Symbol	Code	Company Symbol	Code	Company Symbol
1256	Sun juice	1259	AN-SHIN	1595	CBT
1599	AEON	1752	NANG KUANG	1787	JINTEX
1788	HCI	1813	Polylite	2035	TE
2066	Sumeeko	2233	TURVO	2636	T3EX
2718	TAOYUAN	2734	Ezfly	3092	HOTRON
3152	ACX	3206	KINGSTATE	3226	TOPOWER
3234	TrueLight	3259	3S	3260	ADATA
3322	JEM	3428	GLORY SCIENCE	3438	AAT
3491	UMT	3511	SIMULA TECH INC	3522	HLT
3529	eMemory	3531	Shian Yih	3546	Userjoy
3548	JARLLY	3553	Zentel	3558	Senao Networks
3563	MACHVISION	3611	TSC AUTO ID	3615	AimCore
3628	ABLEREX	3630	NEWMAX	3652	Unitech elec.
3693	AIC	4130	GBL	4138	DMT
4154	Kino	4160	GGA Corp.	4162	PEI
4163	INTAI	4173	ARICH	4535	FBT
4911	G&E	4912	F-Lemtech	4939	AEM
4971	IET	5278	Sunfun	5466	TLC
5493	SAN LIEN	6015	HORIZON Sec.	6024	CFC
6158	P-TWO	6208	Htc	6217	C. C. P.
6219	FULL WANG	6229	V-TAC	6231	Insyde
6237	CMEI	6244	MOTECH	6266	TOP UNION
6279	HU LANE	6506	SBI	8054	Alcor Micro
8059	CTI	8069	EIH	8079	tsi
8086	AWSC	8107	Kenmos	8147	NEXTRON
8255	ATC	8277	UNIFOSA	8289	Taitien
8291	SMT	8358	CO-TECH	8390	JYD
8410	Sen Tien	8416	SWTC	8418	JPNH
8426	Redwood	8432	tsh	8436	TCI
8929	FBIC	8938	ADVANCED GROUP		