



## VI. Media Communication and Caring for the Community

### 1. Announcements and News Coverage

TWSE arranged 198 press conferences for listed companies to disclose their financial information. In order to deliver accurate and important information to the media, TWSE issued 1,564 bilingual press releases and received press coverage 852 times in the mainstream media. It also worked with the mainstream financial media in Taiwan to co-host investment forums and deliver a total of 30 speeches, as well as promote news, advertising and interviews with domestic TV broadcasters, newspapers and magazines.

### 2. Corporate Social Responsibility

TWSE organized a number of charitable activities to demonstrate its concern for society, particularly for the elderly, children and other people in need who play a positive role in the community.

- Providing assistance services to the elderly and displaying the warmth of society, TWSE sponsored the "Taipei City Li Shin Charity Fund" to provide food delivery services to the elderly in the Wanhua District and arranged hiking activities at Taipei 101 during the Double Ninth Festival.
- Providing a fair and supportive learning environment for children in situations of economic distress, TWSE sponsored a number of schools including the Taipei Municipal Da Li Elementary School, MingDao Elementary School, Fanghe Junior High School, Taipei Municipal ShuangYuan Junior High School, Sansia Elementary School, Pinghsi Junior High School, Wanli Junior High School and National Guan-Shan Vocational Senior High School to provide afterschool tutorial classes, living allowances and emergency assistance to children in economic hardship.
- Encouraging prison inmates to rehabilitate and reintegrate into society by stimulating their determination and strength to change, TWSE sponsored a nonprofit organization to arrange 20 "Light up your Life" speech tours to prisons across Taiwan. The objective of these speeches was to encourage inmates to enlighten their lives by inviting previous inmates to share their life changes experiences and how rehabilitation helped them.

## Objectives for 2011

### I. Promote the Internationalization of the Taiwan Capital Market

#### 1. Develop Taiwan into a Regional Capital Raising Center

- Encourage qualified domestic and foreign enterprises to list on TWSE.
- Encourage the listing of offshore ETFs in Taiwan.

#### 2. Further the Market's Alignment with International Practice and Reinforce International Cooperation

- Upgrade the Taiwan stock market to a developed market by adjusting trading, clearing and settlement, as well as the securities lending businesses.
- Promote and assist Taiwanese companies in adopting International Financial Reporting Standards in their financial statements.
- Promote and implement the use of XBRL within the Taiwan capital market.
- Adopt international protocol standards for governing the exchange of information.
- Participate in activities arranged by international securities organizations, arrange international meetings and promote interaction and cooperation with overseas securities institutions.

### II. Promote a Comprehensive and Strong Mechanism for Market Operation

#### 1. Concerning Issuing Business, Encourage Better Corporate Governance and Corporate Social Responsibility

- Encourage listed companies to develop a comprehensive corporate governance system.
- Educate listed companies to place more emphasis on corporate social responsibility and display more integrity in their business.

#### 2. Concerning Trading, Increase Flexibility of the Trading System

- Promote comprehensive and continuous trading.
- Propose relaxation on-day trading restrictions.
- Suggest ways to outline the importance of T-day settlement within the trading system.
- Propose allowing off-market trading.

#### 3. Concerning Clearing, Provide a Comprehensive Clearing System

- Propose the set-up of a clearing membership system.
- Expand the number of sources for securities borrowing and reduce margin trading restrictions.

#### 4. Concerning Products, Develop New Products

- Explore the development of new products related to call and put warrants.
- Evaluate the potential for developing new financial products and new indexes.

### III. Strengthen Market Supervision and Services

#### 1. Reinforce the Supervision and Services of Listed Companies

- a) Toughen supervision on conglomerate companies.
- b) Reinforce supervision of listed companies and bolster the supervision system for the daily financial reporting provided by foreign issuers.
- c) Assist listed companies in developing their investor relations function.

#### 2. Reinforce Supervision of Market Operations

- a) Increase inspections to uncover illegal transactions, undertake online and offline market supervision and enhance communication with legal enforcement officers.
- b) Prepare an investor database to expand the investor information inquiry system.
- c) Conduct surveillance on specific transactions undertaken by foreign investors.

#### 3. Enhance Management and Services of Securities Firms

- a) Improve audit operations of securities firms.
- b) Gradually implement new capital requirements for brokers.
- c) Improve the services provided to securities firms and simplify management measures, while also improving the joint information system of securities firms.

### IV. Enhance IT Services and Management

#### 1. Promote the Establishment of a New Computer System to Facilitate TWSE's Long-Term Development

#### 2. Establish a New IT System

- a) Develop a new stock trading platform which supports continuous trading.
- b) Study the use of cloud computing within the stock market.
- c) Update the information backup system for the new trading mainframe.
- d) Promote the set up of a hierarchical information transmission system.

#### 3. Increase IT services and management functions

#### 4. Reinforce the protection of the information system and management mechanism



### V. Enhance Management Efficiency and Performance

#### 1. Adopt the IFRSs system to prepare financial reports and strengthen financial operations

#### 2. Strengthen internal management and ensure the effective use of human resources

#### 3. Enhance the efficiency of legal, meeting and documentation operations

#### 4. Strengthen internal controls and reduce operational risk

### VI. Complement Government Policies

#### 1. Coordinate with the government to promote the "Taipei Financial Area"

#### 2. Prepare celebration activities to mark Taiwan's 100 year anniversary and TWSE's 50th anniversary celebration

#### 3. Coordinate the integration of information transmissions for securities and futures exchange units