

Content

Title :	Regulations Governing the Administration of Shareholder Services of Public Companies <b>Ch</b>
Date :	2023.03.06
Legislative :	<p>7. Articles 1-1, 2, 2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-7, 5 and 19 were amended by the Securities and Exchange Commission of the Ministry of Finance, per its order dated September 21, 2000 Ref. No. (89) Taiwan-Finance-Securities (3) 03919.</p> <p>8. Article 29-1 added by the Securities and Exchange Commission of the Ministry of Finance, per its order dated December 29, 2000 Ref. No. (89) Taiwan-Finance-Securities (3) 05501.</p> <p>9. Fifty articles amended and promulgated in full by the Securities and Exchange Commission of the Ministry of Finance, per its order dated October 7, 2002 Ref. No. Taiwan-Finance-Securities (3) 0910005178.</p> <p>10. Article 12-1 added and article 49 deleted 15 May 2003 per Order No. Taiwan-Finance-Securities-III-0920002112 of the Securities and Futures Commission, Ministry of Finance</p> <p>11. Article 18 amended and promulgated 30 October 2003 per Order No. Taiwan-Finance-Securities-III-0920004473 of the Securities and Futures Commission, Ministry of Finance.</p> <p>12. Articles 2 to 5, 18 to 20, 22, and 24 amended and promulgated and articles 22-1, 34-1, 49-1 added 29 November 2004 per Order No. Financial-Supervisory-Securities-III-0930005759 of the Securities and Futures Commission, Ministry of Finance.</p> <p>13. Articles 3-1 and 44-1 to 44-8, and Chapter II-1, added and issued 15 December 2005 per Public Announcement No. Financial-Supervisory-Securities-III-0940005859 of the Financial Supervisory Commission, Executive Yuan.</p> <p>14. Articles 4, 33, and 49-1 amended and issued 14 February 2007 per Order No. Financial-Supervisory-Securities-III-0960006127 of the Financial Supervisory Commission, Executive Yuan</p> <p>15. Articles 19, 35, 36, and 50 amended and issued per 20 November 2009 Order No. Financial-Supervisory-Legal-09800716240 of the Financial Supervisory Commission, Executive Yuan; Article 19, paragraph 2, and Articles 35 and 36 to be implemented from 23 November 2009</p> <p>16. Articles 19, 35, and 36 amended and issued, and Article 12-2 added per 11 February 2010 Order No. Financial-Supervisory-Securities-Trading-0990006973 of the Financial Supervisory Commission, Executive Yuan</p> <p>17. Articles 2, 3, 4, 6, 9, 12-2, 16, 20, 22, 23, 29, 30, 38, 40, 41, 43, 44-1, and 44-3 amended and issued, Articles 3-2 to 3-4 added, and Articles 17, 31, 34, and 49-1 deleted per 11 April 2013 Order No. Financial-Supervisory-Securities-Trading-1020012999 of the Financial Supervisory Commission</p> <p>18. Articles 14 and 49-2 amended and issued per 23 December 2013 Order No. Financial-Supervisory-Securities-Trading-1020051039 of the Financial Supervisory Commission</p> <p>19. Article 24 amended and issued per 21 December 2015 Order No. Financial-Supervisory-Securities-Trading-1040051422 of the Financial Supervisory Commission</p> <p>20. Articles 3, 3-2, 3-3, 6, 15, 18, 20, 30, 40, 44-5, 49-2, and 50 amended and issued, Article 3-5 added, and Articles 14 and 33 deleted per 2 March 2021 Order No. Financial-Supervisory-Securities-Trading-1100360690 of the Financial Supervisory Commission; Article 3-5 to be enforced from 1 January 2022, and the other amended provisions to be enforced from the date of issuance</p> <p>21. Articles 44-9 to 44-23 added per 4 March 2022 Order No. Financial-Supervisory-Securities-Trading-1110380914 of the Financial Supervisory Commission</p>

Content : Chapter I General Provisions

Article 1

These Regulations are prescribed in accordance with Article 22-1, paragraph 2 of the Securities and Exchange Act (the "Act").

Article 2

The shareholder services referred to in these Regulations include the following affairs:

1. Opening of account, change of basic shareholder information, etc. for a shareholder.
2. Transfer of share ownership, creation of pledge, removal of pledge, reporting of loss, canceling report of loss, etc. and the merger or split of stocks.
3. Holding shareholders' meetings.
4. Distribution of cash and stock dividends.
5. Rights issue stock affairs.
6. Affairs regarding printing of stock certificates by a third party.
7. Shareholder's inquiry or other affairs related to stocks required by government regulations.
8. Other shareholder services approved by the Financial Supervisory Commission (hereinafter referred to as "this Commission").

Article 3

A public company (hereinafter referred to as "company") may engage a third party to handle its shareholder services. Such parties shall be limited to integrated securities firms and to those banks and trust enterprises that are permitted by law to handle shareholder services for others.

To assist companies to successfully convene shareholders' meetings, companies limited by shares meeting the following conditions also may be engaged to handle matters in connection with shareholders' meetings:

1. have paid-in capital of not less than NT\$200 million;
2. shareholders operating securities firm business under the Act hold an aggregate of more than 50 percent of the total number of the issued shares of the company, and any individual securities firm holds no more than 10 percent of the total number of the issued shares of the company;
3. at least one-third of the directorships of the company are held by independent directors;
4. personnel and the internal control system comply with the requirements of Articles 4 and 6.

In handling shareholder services, the company, or the institution engaged by the company to handle such shareholder services (hereinafter referred to as a "shareholder services agent"), shall pay attention to upholding the rights and interests of the shareholders and the security of securities transactions.

If a company whose stock is listed on the stock exchange or traded on the OTC market handles its own shareholder services, its personnel, facilities, and internal control system shall comply with the requirements of these Regulations.

During the period in which the company under the preceding paragraph engages a shareholder services agent to handle its shareholder services, it may not revert to handling those services in-house, with the exception of notifications for and issuance of cash dividends and capital increase shares for employees, directors, supervisors, and any shareholders holding more than 10 percent of the total shares of the company. When carrying out the above operations, the provisions of Articles 4 and 5 do not apply with respect to the employees carrying out the operations and the facilities used.

A company applying for the first time for its stock to be listed on the stock exchange or to be traded on the OTC market shall, before the stock is so listed or traded, publicly announce and report the name and business location of the unit handling the company's shareholder services to the

stock exchange and the OTC securities exchange for record and also notify the centralized securities depository enterprise.

For a stock that is listed on the stock exchange or traded on the OTC market, when the unit handling the company's shareholder services changes its business location, it shall publicly announce and report the fact to the stock exchange and the OTC securities exchange within three days from the decision, and shall also notify the centralized securities depository enterprise. A shareholder services agent that is engaged to handle shareholder services for a company with a stock listed on the stock exchange or traded on the OTC market shall also be required to make the same public announcement and report when it changes its business location. If a company is not listed on the stock exchange or traded on the OTC market and its stock certificates are in the custody of a centralized securities depository enterprise, or it has not printed stock certificates and its stocks are registered with a centralized securities depository enterprise, then prior to delivering the stock certificates into custody or registering the stocks, the company shall notify the centralized securities depository enterprise of the name and business location of the unit handling its shareholder services; when the company changes the agent handling its shareholder services or there is a change in the business location of the unit handling its shareholder services, it shall notify the centralized securities depository enterprise within three days after the decision.

This Commission or an institution designated by this Commission may examine the shareholder services and internal control systems of any organizations handling shareholder services.

Should any dispute occur over law or regulation or any other uncertainty arise with respect to the handling of shareholder services business, the above-stated designated institution may call together concerned bodies to deliberate and prepare an opinion on the handling of such matters, and submit it via letter to this Commission.

#### Article 3-1

A company referred to in paragraph 2 of the preceding article shall submit to an institution designated by this Commission relevant documents evidencing that it meets the conditions. It may not accept an engagement to handle matters in connection with shareholders' meetings until after the institution has reviewed the documents and forwarded them in a report to this Commission for recordation.

This Commission or an institution designated by this Commission may from time to time inspect the qualifications of a company referred to in the preceding paragraph, and the company may not refuse inspection. A company that refuses inspection shall be deemed unqualified, and shall be prohibited from accepting any engagement to handle matters in connection with shareholders' meetings for a period of three years. If upon inspection a company is found to be unqualified in any way, and fails to make supplementations or corrections within a deadline upon being notified to do so by this Commission or an institution designated by this Commission, it may not accept any engagement to handle matters in connection with shareholders' meetings until such time as it has made the supplementations or corrections.

When there is any change to the paid-in capital, or to a securities-firm shareholder, independent director, or executive or deputy executive officer, or any amendment to the internal control system, of a company referred to in paragraph 1, the company shall report to an institution designated by this Commission within five days after the change or amendment.

If a company fails to comply with the preceding paragraph, or fails to make supplementations or corrections within a deadline upon being notified to do so by this Commission or an institution designated by this Commission, it may not accept any engagement to handle matters in connection with shareholders' meetings until such time as it has made the supplementations or corrections.

#### Article 3-2

A company whose stock is listed on the stock exchange or traded on the OTC

market may not make a change to handling its shareholder services in-house once those services are outsourced.

#### Article 3-3

When a company whose stock is listed on the stock exchange or traded on the OTC market terminates the engagement agreement with its shareholder services agent to handle its shareholder services, or the engagement agreement is terminated by its shareholders services agent, or when, by order of this Commission, it must engage another shareholder services agent to handle its shareholder services, and it therefore 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 this Commission for recordation.

When a company has made a change in its shareholder services agent pursuant to the preceding paragraph, then within three days, calculated from its receipt of the letter indicating recordation by the institution designated by this Commission, the company shall report the change to the stock exchange or the OTC securities exchange and publicly announce it.

The preceding two paragraphs shall apply mutatis mutandis to the company under paragraph 1 when it makes a change from handling its own shareholder services in-house to outsourcing them, or when, by order of this Commission, it must outsource those services, and it therefore engages a shareholder services agent to handle them.

#### Article 3-4

When a company whose stock is listed on the stock exchange or traded on the OTC market 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, then that party, 10 days prior to the first day of the book closure period, may apply to the institution designated by this Commission to have the matters relating to the upcoming shareholders meeting handled by a shareholder services agent.

The company of the preceding paragraph, upon its receipt of the letter of approval from the institution designated by this Commission, and within the deadline specified by that institution, shall engage a shareholder services agent to handle matters relating to the upcoming shareholders meeting, and shall submit the agreement entered into with that shareholder services agent to the institution designated by this Commission for recordation.

When the company fails to proceed as specified in the preceding paragraph, the institution designated by this Commission shall appoint a shareholder services agent to handle matters relating to the upcoming shareholders meeting. The centralized securities depository enterprise shall deliver the list of stock owners to the newly appointed shareholder services agent within 3 days from the first day of the book closure period.

Fees for the handling of shareholders meeting matters by the shareholder services agent appointed pursuant to the preceding paragraph shall be borne by the company.

Within 3 days after its receipt of the letter of paragraph 2 indicating recordation, or the letter of paragraph 3 appointing a shareholder services agent, the company shall report the matter to the stock exchange or the OTC securities exchange and publicly announce it, with a copy to this Commission.

#### Article 3-5

If a company whose stock is listed on the stock exchange or traded on the OTC market handles its own shareholder services or engages a shareholder services agent to handle shareholder services for it, the company or the shareholder services agent, as the case may be, shall be subject to evaluation by the institution designated by this Commission at least once every three years.

The items, contents, criteria, and evaluation outcomes of the evaluations under the preceding paragraph shall be set by the institution designated by

this Commission and then submitted to this Commission for ratification. The same shall be true for any amendment thereto.

After conducting an evaluation pursuant to the preceding two paragraphs, the institution designated by this Commission shall submit the outcome of the evaluation in writing to this Commission.

If the outcome of evaluation is "fail" and the circumstances are serious or the corrections ordered by this Commission are not made by the specified deadline, this Commission may order the evaluated entity, in the case of a company handling its own shareholder services, not to handle its own shareholder services any longer, in which case the provisions of Article 6, paragraph 3 with respect to the outsourcing or transfer of the handling of shareholder services or, as the case may be, the appointment of a shareholder services agent shall apply mutatis mutandis, or, in the case of a shareholder services agent, not to enter into any new shareholder services agreement for a period of not less than 6 months and not more than 1 year.

#### Article 4

A company whose stock is listed on the stock exchange or traded on the OTC market and that handles its own shareholder services, or a shareholder services agent of such a company, for the handling of shareholder services, shall allocate a sufficient number of personnel, provide them with appropriate training and management, and meet the following conditions:

1. At least 1 of the shareholder services agent's executive personnel must possess at least 5 years of practical experience in shareholder services operations; at least one-third of its associated persons handling shareholder services, and no less than 5 in all, must meet one of the following criteria. However, this ratio requirement does not apply if at least 20 of its associated persons handling shareholder services meet the criteria:

A. Have three or more years of practical experience in shareholder services.

B. Are an agent or senior agent of a securities firm.

C. Have successfully passed the shareholder services examination held by an institution designated by this Commission.

2. If a company handles its own shareholder services, at least 1 of its executive personnel must possess at least 5 years of practical experience in shareholder services operations, and at least 5 of its associated persons handling shareholder services shall meet one of the qualifications set out under the preceding subparagraph.

Personnel of a shareholder services agent who are counted toward the minimum standards for numbers of personnel set forth in the preceding paragraph shall be full-time employees. At a company that handles its own shareholder services, at least three of the personnel counted as meeting the qualifications of the preceding paragraph shall be full-time employees, and the remainder may be part-time employees.

The associated persons handling shareholder services shall participate in education and training courses related to shareholder services that are held by the institution designated by this Commission, in accordance with the number of such course hours as required by that institution.

If a company handles shareholder services for itself or for another company whose stock is listed on the stock exchange or traded on the OTC market, it shall report the basic information of the executives and associated persons for such services to the institution designated by this Commission before such employees carry out their duties, and file a summary report of any changes thereto by the 15th day of the month following the month in which such changes occurred.

#### Article 5

Companies whose stocks are listed on the stock exchange or traded on the OTC market and that handle their own shareholder services, and shareholder services agents of such companies, must have facilities for handling shareholder services complying with the rules below:

1. Must have the necessary computer facility and chop comparison/verification equipment.

2. Must have a safe equipped to deal with fire, floods, and burglars, and

establish and follow rules for management of the safe. Companies whose stocks are not listed on the stock exchange or traded on the OTC market and that handle their own shareholder services shall have a safe storage room and shall establish and follow rules for management of their storage room, as well as have sufficient hardware equipment and other facilities.

The provisions of the preceding paragraph shall apply to the facilities used to handle their own shareholder services by companies whose stocks are listed on the stock exchange or traded on the OTC market and that issue all their stocks in scripless form.

#### Article 6

A company that handles its own shareholder services, or a shareholder services agent handling shareholder services for a company, shall adopt an internal control system in accordance with the rules establishing standards for the internal control systems of shareholder services units that have been set by the institution designated by this Commission; dedicated employees shall be assigned to carry out internal audits on a regular or irregular basis and prepare written records of the audits, which are to be retained for inspection.

A company or a shareholder services agent shall handle shareholder services in accordance with laws and regulations and the provisions of its internal control system.

If a company or a shareholder services agent violates the provisions of either of the two preceding paragraphs, and is issued an official reprimand or a disposition by this Commission, it may no longer handle shareholder services for itself or for the company involved in the violation, and shall outsource or transfer, as the case may be, the handling of the shareholder services to a or another shareholder services agent within 2 months, calculated from the day following its receipt of the letter of disposition from this Commission. If the company is unable to find an agent willing to take over as the successor for handling of the shareholder services, or if this Commission deems necessary, a shareholder services agent shall be appointed by the institution designated by this Commission to handle the company's shareholder services.

The rules establishing standards for the internal control systems of shareholder services units which are to be set by the institution designated by this Commission pursuant to paragraph 1 shall be submitted to this Commission for ratification. The same shall be true for any amendment to those rules.

#### Article 7

The computer software used by the company or the shareholder services agent shall have an automatic inspection capability: in addition to regular inspections of the system and backing up of files, it shall keep a record of the system flowchart, the explanations of file structure, and the explanations of system operations, and shall store backup files at a different location.

#### Article 8

For stock certificates not withdrawn by shareholders and for blank stock certificates for future use by a company, the company or its shareholder services agent shall establish management procedures and inventory plans and shall keep them on file for inspection.

A company that handles shareholder services for itself or for another company whose stock is listed on the stock exchange or traded on the OTC market shall file the management procedures and inventory plans referred to in the preceding paragraph for recordation with the institution designated by this Commission, and shall do the same upon any amendment thereto.

#### Article 9

For stock certificates received from the centralized securities depository enterprise and temporarily kept due to a stock split or from a shareholder due to an application for transfer, or for reissuance due to a merger or split, the company or shareholder services agent shall keep daily records and specially assign someone to be in charge of their storage.

#### Article 10

When handling shareholder services, a shareholder services agent shall open a special account with a bank for the receipt and payment of funds under its custody and shall not use the funds in such account for other purpose, unless the shareholder services agent is operated by a financial institution, in which case it shall follow the provisions of the Banking Act.

#### Article 11

Where a shareholder of a company processes shareholder services or exercise other related rights in writing, such writing shall be signed or chopped with the specimen chop.

Where matters under the preceding paragraph are handled by means of signature, if the company or the shareholder services agent is unable to discern whether the signature was made by the shareholder himself or herself, it may request the shareholder to appear at the company and sign in person, and present a National Identity Card, residence certificate, passport, certificate legalized by an ROC representative body or issued by local court or government agency in the shareholder's home country, identity document notarized by a statutory notary institution in the shareholder's home country, or other documentary proof of identity.

#### Article 12

Documents and forms utilized by a company during the process of handling shareholder services shall be stored in accordance with the following provisions after the affair has been completed:

1. Shareholders register, registry of lost stock certificates, shareholder specimen chop, voucher for issuance of rights issue stock, and minutes of the shareholders meeting shall be stored permanently.
2. Voucher for issuance of cash dividends shall be stored for at least five years.
3. Other documents and forms utilized during the handling of shareholder services shall be stored for at least three years. However, copies of identity card, replaced voided stock certificates, and stock owners list maintained and sent by centralized securities depository enterprises may be stored for one year.
4. The attendance list bearing the signatures of the shareholders present at the shareholders meeting and the powers of attorney of the proxies shall be kept for a period of at least one year. However if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the documents shall be kept by the company until the conclusion of the litigation.

#### Article 12-1

After obtaining shareholder approval, a company may transmit documents related to convening of shareholders meetings and other notices via electronic documents.

#### Article 12-2

When a company whose stock is listed on a stock exchange or traded on the OTC market convenes a shareholders meeting, the meeting shall be attended by personnel with the qualifications specified in paragraph 1 of Article 4 and complying with paragraph 4 of the same article.

### Chapter II Company Shareholder Services

#### Section I The Format of and the Production of Stock Certificates

#### Article 13

When issuing shares, the company may print stock certificates and deliver them physically or otherwise deliver the stock shares through book-entry transfer.

In case the delivery is through book-entry transfer prescribed in the preceding paragraph, there is no need to physically print stock certificates for the issuance of shares and the issuance shall be handled

according to the Regulations Governing Book-Entry Operations for Centrally Deposited Securities and relevant rules prescribed the centralized securities depository enterprise.

The printing and production of stock certificates shall be in conformance with the prescribed format attached hereto.

Article 14  
(deleted)

Article 15  
After printing and production, stock certificates shall be sent to a certification bank for certification in accordance with the Regulations Governing Certification of Corporate Stock and Bond Issues by Public Companies.

Article 16  
Where the format of the stock certificates of a public company, as printed and produced when it was not yet a public company, is not in compliance with these Regulations, the company shall print and produce new stock certificates in accordance with these Regulations and replace the old ones with the new ones within six months of the date of approval for its public issuance as a public company.

Article 17  
(deleted)

## Section II Shareholders Register and Shareholder Account Opening

Article 18  
The names registered on the shareholders register, as applicable to natural persons, shall be based on the name shown on the National Identity Card, except in the case of overseas Chinese and foreign nationals who may supply the name shown on the alien resident certificate, passport or other documents evidencing identity; as applicable for juristic persons, the name registered on the shareholders list shall be their full registered name. In handling matters in the preceding paragraph regarding securities or securities underlying overseas depository receipts that are held by offshore overseas Chinese and foreign nationals, by securities investment trust funds, under trust contracts, or by collective investment accounts for foreign national or mainland Chinese national employees, the entry in the shareholders register of the company may be registered under a special account name that can clearly identify the rights and obligations relating to the securities.

A company shall not open two or more accounts for the same shareholder.

Article 19  
Upon opening a new account, the shareholder shall supply a specimen chop, photocopy of the National Identity Card, resident certificate, passport, or other documents evidencing identity or photocopy of documents evidencing company registration; where necessary, the company or the shareholder services agent may require the shareholder to supply originals of the above documents; where a foreign shareholder appoints a domestic agent or representative to open the account, a power of attorney shall be supplied. When opening an account as referred to in the preceding paragraph, a natural person shall leave on file a signature or chop specimen using his or her true name; a juristic person shall use its full registered name, and in addition, may also register the signature or chop of its representative or use the professional chop of its agent; where in accordance with paragraph 2 of the preceding article a special account is used for the entry in the shareholders register, a chop based on the name of such special account name shall be used, provided that where the Taiwan representative of an overseas Chinese or foreign national is the same person as the custodian institution, or where a trust enterprise established under the Trust Act serves as the trustee institution, the exclusive chop of that custodian or trustee institution may be used as the shareholder chop for its account; in case of a minor or a person who has



been declared under guardianship or assistance, the statutory agent, guardian, or assistant shall also supply their signature or chop; if the statutory agent, guardian, or assistant is the parents, the parents may agree to signing or use of chop by either parent on behalf of both parents; in the case of a signature account, the company or the shareholder services agent may adopt the procedures set forth in Article 11, paragraph 2.

A shareholder that has provided both a signature and chop specimen on the specimen chop card on file may effectively use either signature or chop to process shareholder services with the company or exercise related rights pursuant to Article 11, paragraph 1.

The shareholder specimen chop and signature shall be limited to a single copy.

#### Article 20

The contents of the specimen chop card shall include the shareholder account number, name of the shareholder, commencement date, and specimen signature or specimen chop. In addition, natural persons shall indicate the address shown on the household registry, and contact address and telephone number, National Identity Card number or the number of other document evidencing identity, and the date of birth; a juristic person shall indicate its registered address and its uniform number; a foreign shareholder shall additionally indicate nationality or place of registration and, if appointing a domestic agent or representative to open the account, shall indicate the address and uniform number of the domestic agent or representative.

A contact address indicated by a domestic shareholder as referred to in the preceding paragraph shall be confined to a domestic address; where a foreign shareholder has designated a custodian institution, the name of such institution shall be included.

The uniform ID number for people of the Mainland Area, Hong Kong, and Macao, and overseas Chinese or foreign nationals, in the case of natural persons, shall be the ID number assigned by the Ministry of the Interior; where an ID number has not been obtained, it shall be a number assigned in accordance with Ministry of Finance rules governing the allocation of relevant identification numbers; in case of juristic persons, the number shall be based on the withholding uniform invoice number assigned by the tax authority.

#### Article 21

Where a shareholder changes the specimen chop on file to a new chop or to a signature, a change of specimen chop application shall be completed specifying the full serial numbers of the stock certificates and the number of shares held bearing the old chop, affixed with the old and new specimen chop or specimen signature, together with the new specimen chop card and the stock certificates, and the above materials shall be sent to the company for processing. The new specimen chop shall be effective on the date following completion of registration.

In processing the change of specimen chop referred to in the preceding paragraph, where the stock certificate has been sent to the centralized securities depository enterprise, has been pledged, or has been sold, and for valid reasons the shareholder cannot supply the stock certificate for processing, the stock certificates need not be supplied.

Where a stock is pledged as referred to in the preceding paragraph, where the pledge is removed, the stock certificate shall be presented and amendment registration procedures carried out.

Where a chop is replaced by a signature pursuant to paragraph 1, the company or the shareholder services agent may adopt the procedures set forth in paragraph 2 of Article 11.

#### Article 22

Where the specimen chop is lost or destroyed, a lost specimen chop application shall be completed specifying the serial numbers and number of shares bearing the old chop, together with identification papers and copies thereof, new specimen chop card and the stock certificates, and the above materials shall be personally sent to the company for processing. Upon determination that the specimen chop may be replaced with a new one or with

a specimen signature, and upon completing the procedures for registering a new specimen chop or signature, the new specimen chop or signature shall be effective on the date following completion of registration, unless it is declared that the effective date shall be on the same date.

Where the application procedures for replacement of a specimen chop with a new specimen chop or with a specimen signature under the preceding paragraph are carried out by an appointed third party or through correspondence, the following identity documents shall be submitted:

1. Natural person shareholder: if a domestic natural person, the National Identity Card or the chop certificate issued by the household registration office; if a foreign natural person, the alien residence certificate, passport, or certificate legalized by an ROC representative body or issued by a local court or government agency in the shareholder's home country, or identity document notarized by a statutory notary institution in the shareholder's home country.

2. Juristic person shareholder:

A. A juristic person shareholder shall submit an application letter bearing the company chop on the company amendment registration evidentiary document issued by the competent authority and the chop of the responsible person who represents the company.

B. Photocopy of the company amendment registration evidentiary document issued by the competent authority, with a statement thereupon indicating that it is a true and faithful copy of the original.

C. Documentation of identity in accordance with the preceding subparagraph for the responsible person of the juristic person shareholder.

3. Where a third party is appointed to carry out the procedures, such appointee shall be a citizen of the Republic of China, and, in addition to the identity documents set forth in the preceding two subparagraphs the National Identity Card and power of attorney of the appointee shall also be submitted.

The provisions of paragraphs 2 and 3 of the preceding Article shall apply *mutatis mutandis* while processing the lost specimen chop under paragraph 1. Where a specimen chop is replaced with a specimen signature under paragraph 1, the company or the shareholder services agent may adopt the procedures set forth in Article 11, paragraph 2.

#### Article 22-1

A shareholder carrying out amendment of the specimen chop or signature because of a change of account name shall complete an application for change of the account name, specifying the full serial numbers of the stock certificates and number of shares held, affixing the new specimen chop or specimen signature, together with the new specimen chop card and the stock certificates, documentation of the change of account name, identification papers and photocopy thereof, and deliver them in person to the company for processing of registration; upon completion of the registration procedures, the amendment shall become effective on the next following day, unless it is declared that it is effective from the registration date.

Article 21, paragraphs 2 to 4 and Article 22, paragraph 2 apply *mutatis mutandis* to a change of account name under the preceding paragraph.

### Section III Transfer, Registration of Changes, Pledges, and Loss Reporting Procedures of Stock Certificates

#### Article 23

When a shareholder processes the transfer of stock certificates on his own behalf due to a direct private transfer of securities, the procedures shall be as follows:

1. Transfer application completed by both parties and signature or chops affixed on the backside of the stock certificate.
2. Proof that the securities transaction tax has been paid.

#### Article 24

Where a shareholder processes the transfer of stock certificates on his own behalf in accordance with provisions of law, the procedures shall be as follows:

1. Court auction or compulsory execution:

- A. The stock certificate to be transferred, transfer application, court auction records and proof of transfer, and proof that the securities transaction tax has been paid shall be submitted.
- B. The space allotted on the transfer application and on the stock certificate for the chop of the transferor may be replaced with the proof of transfer issued by the court.
2. Transfer via inheritance: The inheriting party shall complete the transfer application and affix his signature or chop on the backside of the stock certificate in space allotted for the transferee, and shall further attach the following documents:
  - A. Line of inheritance chart (to be completed by the applicant inheriting party in accordance with Articles 1138 through 1140 of the Civil Code; if there are any errors, the applicant shall be responsible therefore).
  - B. Photocopy of the Household Registry with detailed notes, or other documentary proof with equivalent legal effect, of the inheriting party.
  - C. For a domestic inheriting party, the National Identity Card or the chop certificate issued by the household registration office (if the inheriting party is a minor, the statutory agent's National Identity Card or chop certificate issued by the household registration office shall also be attached); for a foreign inheriting party, the residence certificate, passport, certificate legalized by an ROC representative body or issued by local court or government agency in the shareholder's home country or identity document notarized by a statutory notary institution in the inheriting party's home country. Where the inheriting party appoints a third party to process the transfer on his behalf, the appointee shall be a citizen of the Republic of China, and the appointee's National Identity Card and the power of attorney shall be presented. An inheriting party who is a person of the mainland China area shall submit inheritance relationship documents that have been certified by the Straits Exchange Foundation and the inheritance relationship certificate or similar documents issued by a notary authority within the mainland China area. If due to his special status or other reasons such an inheriting party cannot personally enter Taiwan to process such matters, such person shall execute a legally recognized power of attorney and appoint a third person located within the Taiwan area to process such matters.
  - D. Where there are several inheriting parties, an agreement signed by all eligible inheriting parties under the Book of Inheritance of the Civil Code stating that they agree with the distribution shall be supplied; where a judgment is rendered by a court, the judgment shall be supplied.
  - E. Certification of payment of taxes or tax exemption issued under Article 41 of the Estate and Gift Tax Act.
3. Transfer via gift: Complete the transfer application and affix the signature or chops of the transferor and transferee to the backside of the stock certificate, and attach certification of payment of taxes or tax exemption issued under Article 41 of the Estate and Gift Tax Act.

#### Article 25

Where a shareholder processes transfer of stocks on his own behalf in accordance with applicable provisions of the Act, the procedures shall be as follows:

1. Purchase from a director, supervisor, managerial officer, or shareholder holding more than 10% of the total shares of the company in accordance with Article 22-2, paragraph 1, subparagraph 3 of the Act:
  - A. Both parties shall sign or chop the transfer application and the backside of the stock certificate.
  - B. Attach the daily statement for the transfer filing date downloaded from the Taiwan Stock Exchange Corporation Market Observation Post System and certification of payment of the securities transaction tax.
2. Public tender offer in accordance with Article 43-1, paragraph 2 of the Act:
  - A. Both parties shall sign or chop the transfer application and the backside of the stock certificate.
  - B. The stock transfer application shall be stamped by the engaged securities firm showing that the securities transfer tax has been paid.
3. Purchase of privately placed stocks pursuant to Article 43-8 of the Act and purchase made in accordance with the circumstances prescribed by this

Commission in accordance with paragraph 4 of Article 150 of the Act:

- A. Both parties shall sign or chop the transfer application and the backside of the stock certificate.
- B. Attach documents evidencing conformity with the requirements set forth by this Commission and certification of payment of the securities transaction tax.

#### Article 26

Where a shareholder processes the transfer of stock certificates on his own behalf upon the withdrawal of the shares from centralized custody, the procedures shall be as follows:

1. Complete the transfer application.
2. Submit the transfer application stamped with the "date of withdrawal" stamp (where the stock certificate is under the custody of a securities finance enterprise, then chopped by it; where the stock certificate is under the custody of centralized securities depository enterprise, then chopped by it) and the original purchase report or other documents, and upon confirmation, complete the transfer.

#### Article 27

Where a shareholder processes the transfer of stock certificates on his own behalf when for some reason the transfer of stocks cannot be completed on time and request is made to the previous owner for return of stocks and stock dividends have been received, the procedures shall be as follows:

1. The original purchase report and the stock delivery voucher issued by the securities firm, or other documentary proof.
2. Final judgment of a court, court settlement records, confirmed order for payment, or consent of the previous owner to return stocks.
3. Stock certificate obtained from the previous owner.
4. Transfer application signed or chopped by both parties (the space allotted on the transfer application for the chop of the transferor may be replaced with the final judgment issued by the court, court settlement records, or confirmed order for payment); upon confirmation, complete the transfer. The backside of the stock certificate shall be stamped with the "change of name" stamp to distinguish it.

#### Article 28

Where a shareholder processes the transfer of stock certificates on his own behalf for a trust in respect of stock pursuant to Article 4, paragraph 2 of the Trust Act, the procedures shall be as follows:

1. The settlor and the trustee shall complete the transfer application and sign or chop the backside of the certificate; where the trustee withdraws the stock from a centralized securities depository enterprise, documents showing that the withdrawal has been made from such enterprise shall be attached, and the trustee shall further place its signature or chop on the space allotted on the transfer application and on the stock certificate for the chop of the transferee.
2. Attach the trust deed, and related documents of the tax authority, and upon confirmation by the company, the stamp "trust property" and a date stamp shall be stamped on the roster of shareholders and on the backside of the stock certificate.
3. Where the trustee has been changed, an application for change shall be made by attaching the reason for the change.
4. Where the trust deed specifies that the beneficiary of the whole or any part of the trust interest is the settlor and, during the term of the trust relationship, such beneficiary is changed to a person other than the settlor, relevant supporting documents from the tax authorities shall be attached.
5. When the trust relationship has been terminated, and by law the trust property belongs to the settlor, documents showing that the trust relationship has terminated shall be attached, and upon confirmation by the company, the application to cancel the trust registration shall be made; where by law the trust property belongs to a person other than the settlor, related documents issued by the tax authority shall be attached, and upon confirmation by the company, the application to cancel the trust registration shall be made, and the stamp "registration of termination of

trust" and a date stamp shall be stamped on the shareholders register and on the backside of the stock certificate.

6. Where the stock certificate is under the custody of a centralized securities depository enterprise, the indication of the trust relationship and matters to be recorded shall be governed by the Regulations Governing Book-Entry Operations for Centrally Deposited Securities.

#### Article 29

When a shareholder whose shares are already in the custody of or registered with the centralized securities depository enterprise transfers shares other than on the centralized securities exchange market or an OTC market, the company shall handle the transfer in accordance with the Regulations Governing Book-Entry Operations for Centrally Deposited Securities and regulations applicable to centralized securities depository enterprises. When a shareholder carries out a direct private transfer of shares listed on the stock exchange in accordance with the preceding paragraph, the shares so transferred must not be in excess of one trading unit of the given security, and there may not be less than three months between any two such transfers of securities.

#### Article 30

A centralized securities depository enterprise, when handling the transfer of stocks that are in its custody or are registered with it, shall deliver the stock owners list prepared by its participants to the company, which shall record them in its shareholders register, after which the transfer procedure will be deemed completed, and the provisions of Article 165, paragraph 1 of the Company Act will not apply. The company shall use the contact address in the list of stock owners provided by the centralized securities depository enterprise to directly notify those owners that have not commenced account opening procedures, and commence account opening procedures.

The content of the stock owners list of the preceding paragraph and the date on which it is delivered to the company shall be determined in accordance with the Regulations Governing Book-Entry Operations for Centrally Deposited Securities.

#### Article 31 (deleted)

#### Article 32

A company shall process the application made by a centralized securities depository enterprise for issuance of replacement stocks due to splits; where a company processes a shareholder's application to issue replacement stocks due to splits and such split stocks do not exceed 1,000 shares, the company may charge a handling fee, except where the stocks were obtained through inheritance.

#### Article 33 (deleted)

#### Article 34 (deleted)

#### Article 34-1

When a company is required by an act or regulation or the bylaws of the stock exchange or the OTC securities exchange to disclose any information related to its shareholders or shareholding, it may provide the relevant information to the centralized securities depository enterprise and engage it to compile the information required to be disclosed.

#### Article 35

Where a shareholder processes matters in accordance with Articles 23 to 28, and such shareholder is a minor or a person under guardianship or assistance, for the shares being transferred, the statutory agent, guardian, or assistant shall affix his or her signature or chop on the stock certificate and the transfer application.

#### Article 36

Where a minor reaches adult legal status, or a person who has been declared under guardianship or assistance resumes his legal capacity, such shareholder shall submit a copy of his National Identity Card or documentary proof of a final and conclusive court judgment voiding the declaration of guardianship or assistance, and stock certificates held by such shareholder that bear the old chop, to the company to carry out specimen chop card replacement and registration procedures.

#### Article 37

The contact address of a shareholder shall be based on the address indicated on the specimen chop card. However, where a centralized securities depository enterprise processes transfer matters, and the specimen chop card has not been completed, the address notified by the centralized securities depository enterprise shall govern. If the information has been indicated on the specimen card, but the address so indicated is different from the contact address of which notice has been given by the centralized securities depository enterprise, the latest address for which the shareholder has carried out amendment procedures shall govern.

Where the contact address or the registered address shown on the specimen chop card referred to in the preceding paragraph has been changed, the shareholder shall notify the company in writing.

#### Article 38

Where a pledge is made on a stock, and the pledgor and pledgee complete the "Pledge Notification," and endorse the stock certificate and send it to the company for registration, upon registration, such pledge shall be effective against the company, and the company is not required to issue a pledge certificate; upon release of a pledge, a "Notice of Release of Pledge" shall be completed and submitted to the company for processing.

Where a pledge is made on a stock under the custody of or registered with a centralized securities depository enterprise, the depository enterprise shall notify the company of the names of the pledgor and pledgee, the number of shares under pledge, and matters relating to dividends for processing by the company, and the preceding paragraph shall not be applicable.

#### Article 39

While the pledge is effective, the withdrawal of dividends arising from the stock shall be made by either the pledgor or pledgee as agreed under the pledge agreement. During the book closure period, the company shall continue to accept application for pledge registrations.

#### Article 40

Where stock certificates are lost, the procedures for applying to issue replacement stock certificates shall be conducted as follows:

1. The shareholder or legal owner shall report the event to the police authority for handling or recordation, complete an application for reporting loss of stock certificates, and send such to the company for examination and registration; where the transfer procedure has not been completed, the applicant shall also attach a proof document provided by the securities firm or the transferor.
2. The applicant shall, within five days, apply to the court for a public summons under the Code of Civil Procedure, and send to the company a photocopy of the application affixed with the court's stamp indicating its receipt of the application; where such procedure is not commenced upon the expiration of the time period, the company may cancel the application for reporting loss of stock certificates.
3. Upon issuance of a public summons ruling by the court, the applicant shall make a public notice in a manner required in the court ruling, and upon the expiration of the period of public summons, the applicant shall apply to the company for issuance of replacement stock certificates by attaching the court's judgment of abridgment of rights.
4. To cancel the report of loss of stock certificates, the applicant shall

complete an application for cancellation of a report of loss of stock certificates and send it to the company for examination and registration; where the applicant has already applied to the court for a public summons or for a judgment of abridgment of rights pursuant to the Code of Civil Procedure, the applicant shall also submit a photocopy of the application to the court for cancellation of the public summons or for revocation of the judgment of abridgment of rights, affixed with the court's stamp indicating its receipt of the application.

When processing matters in accordance with subparagraph 1 of the preceding paragraph, and the lost stock certificates have been registered in the dedicated account of the centralized securities depository enterprise, the applicant shall attach documents showing that such stock certificates have been withdrawn from the centralized securities depository enterprise.

While the stock certificates are still in the process of public summons procedures, the dividends (capital interest), bonuses, distributed stock dividends and other ancillary rights accumulated during the period shall be held and not distributed by the company until the court's judgment of abridgment of rights has been issued.

When appointing a third person to apply for issuance of stock certificates in replacement of lost ones under paragraph 1, a natural-person shareholder shall provide a power of attorney, and a juristic-person shareholder shall provide an application letter, and the power of attorney or application letter shall be signed or chopped with the original specimen chop.

After the company completes the registration for the reported lost stock certificates, if the lost stock certificates are discovered, a notation stating "Registered Lost Stock Certificates" shall be affixed on the stock certificates and on the transfer application.

#### Section IV Book Closure, Distribution of Dividends, and Issuance of New Capital Stocks

##### Article 41

A company shall not handle any requests for transfers of shares within 60 days prior to the shareholders meeting, 30 days prior to the special shareholders meeting, or 5 days prior to the record date for the distribution of dividends, bonuses or other interests.

Where a stock is listed on the stock exchange or traded on the OTC market, the company shall within the required time period notify the stock exchange or the OTC securities exchange and the centralized securities depository enterprise of the reason for the book closure and the book closure period. It shall also give such a notice of the reasons and the applicable period for any amendment to or cancellation of the book closure.

The provisions of the preceding paragraph concerning notification to the centralized securities depository enterprise shall apply *mutatis mutandis* to companies that are not listed on the stock exchange or traded on the OTC market and whose stock certificates are in the custody of a centralized securities depository enterprise, or that have not printed stock certificates and whose stocks are registered with a centralized securities depository enterprise.

##### Article 42

Where a company distributes dividends, it shall notify each registered shareholder of the date and location as well as transmit such information via the information reporting website designated by this Commission; after transmission has been completed, public notice shall be deemed to have been duly given.

##### Article 43

Where a company distributes cash dividends or issues new capitalization stocks, and the stock holder has failed to complete registration of transfer before book closure, the transfer of stock dividends or new capitalization stocks through a letter of consent, or a declaration that it is the owner of such stock or new capitalization stock must be made within five days from the book closure; if that deadline has passed, the stock holder shall contact the previous owner for private resolution of the matter.

When a stock owner makes a withdrawal from the centralized securities depository enterprise of shares held in custody in a dedicated account at the centralized securities depository enterprise, but registration of the transfer is not made before book closure, upon completing the transfer procedure, the company may withdraw and complete delivery of the stock dividends and new capitalization stock from the dedicated account of the centralized securities depository enterprise.

#### Article 44

When a company distributes cash dividends, handles rights issue subscription, or issues new capitalization stocks, shareholders who have opened a discretionary investment account shall handle the portion involving discretionary investment in accordance with the relevant regulations prescribed by the securities centralized depository enterprise.

#### Chapter II-1 Exercising Shareholders' Meeting Voting Rights in Writing or by Means of Electronic Transmission

##### Article 44-1

Where voting rights at a company shareholders' meeting are exercised by means of electronic transmission, matters related to electronic voting shall be outsourced for handling by an outside entity.

The entity under the preceding paragraph engaged to handle matters relating to electronic voting shall be restricted to a shareholders services agent or a company as specified under Article 3, paragraph 1 or 2 or a centralized securities depository enterprise, and shall conform with the following requirements:

1. The entity must have three or more full-time employees who are information technology professionals.
2. The electronic voting platform must include mechanisms for checking the identity of shareholders exercising voting rights and security mechanisms, and must have obtained ISO accreditation documents for information systems security management.
3. The electronic voting platform must be equipped with on-site and off-site backup and recovery systems.

The entity engaged to handle electronic voting matters must first submit the documents demonstrating its qualifications referred to in the preceding paragraph to this Commission for recordation before it may undertake matters relating to electronic voting.

An entity already engaged to handle electronic voting matters prior to the 11 April 2013 amendment and issuance of these Regulations shall submit the documents required under the preceding paragraph to this Commission for recordation within 6 months following the amendment and issuance of these Regulations. If the recordation has not been accomplished by the end of that period, the entity may not be engaged to handle the electronic voting matters.

Each year, an entity engaged to handle electronic voting matters must submit for recordation by this Commission audit results for ISO information systems security management accreditation in conformance with paragraph 2, subparagraph 2.

An entity engaged to handle electronic voting matters may not concurrently be engaged to handle shareholder services and may not serve as a proxy solicitor, proxy agent, or handle proxy solicitation matters on behalf of another.

##### Article 44-2

Where voting rights at a company shareholders' meeting are exercised in writing or by means of electronic transmission, the content of the written or electronic means prepared by the company for the exercise of voting rights shall state the following particulars:

1. Company name.
2. Shareholder account number.
3. Shareholder name.
4. Number of shares held by the shareholder.
5. Content of all motions on the agenda.
6. Where there is an election for director(s) or supervisor(s), matters



related to such election.

7. Other particulars required by the competent authority.

#### Article 44-3

If a shareholder elects to exercise his/her/its voting rights in writing or by means of electronic transmission, his/her/its declaration of intention shall be served to the company 2 days prior to the scheduled meeting date of the shareholders' meeting; if two or more declarations of intention on the same matter are served to the company, the declaration of intention first served shall prevail, unless an explicit statement to revoke the previous declaration is made in the subsequent declaration.

If a shareholder who has exercised his/her/its voting rights in writing or by means of electronic transmission intends to attend the shareholders' meeting in person, he/she/it shall, 2 days prior to the scheduled meeting date of the shareholders' meeting and in the same manner previously used in exercising his/her/its voting rights, serve a separate declaration of intention to revoke his/her/its previous declaration of intention made in exercising the voting rights under the preceding paragraph. In the absence of a timely revocation of the previous declaration of intention, the voting rights exercised in writing or by means of electronic transmission shall prevail.

If a shareholder has exercised his/her/its voting rights in writing or by means of electronic transmission, and has also authorized an agent to attend the shareholders' meeting on his/her/its behalf, then the voting rights exercised by the authorized agent for the shareholder shall prevail.

#### Article 44-4

A shareholder who exercises his/her/its voting rights in writing or by means of electronic transmission shall make a declaration of intention with respect to each motion on the written or electronic form prepared by the company; where no declaration of intention is made, the shareholder shall be deemed to have waived his/her/its voting right with respect to that motion.

#### Article 44-5

The company or its shareholder services agent shall, by one day prior to the date of a shareholders' meeting, compile and prepare a statistical table of the number of shares of shareholders attending the shareholders' meeting by means of electronic transmission, and publicly disclose it on the electronic voting platform of the entity engaged to handle electronic voting matters.

The company or its shareholder services agent shall, on the day of the shareholders' meeting, compile and prepare a statistical table of the number of shares of shareholders attending the shareholders' meeting in writing or by means of electronic transmission, and clearly disclose it at the place where the shareholders' meeting is held.

#### Article 44-6

Where voting rights at a company shareholders' meeting are exercised in writing or by means of electronic transmission, before the shareholders' meeting is convened, the company's shareholder services agent, another shareholder services agent, or a company specified in Article 3, paragraph 2, shall tally and verify such votes. However, if the company handles its own shareholder services, the company may carry out the tallying and verification itself.

The internal control system of the entity carrying out the tallying and verification referred to in the preceding paragraph shall include tallying and verification procedures for voting rights exercised in writing and by means of electronic transmission; where a shareholder exercises voting rights in writing, verification shall be made of whether the written form is the form printed by the company and whether the shareholder has signed or chopped the form.

A written record shall be made of the procedures and results of the tallying and verification referred to in paragraph 1, and shall be signed/sealed by the person handling it and the supervisor and kept on record for review

#### Article 44-7

A shareholder who exercises his/her/its voting rights in writing or by electronic means may, within a seven-day period after the shareholders' meeting, query the company or its shareholder services agent as to the status of the exercise of his/her/its voting rights.

#### Article 44-8

Written and electronic media information relating to the exercise by shareholders of voting rights in writing or by electronic means shall be preserved by the company for at least one year. However, where a shareholder brings any litigation under the Company Act, it shall be preserved until the litigation is concluded.

### Chapter II-2 Shareholders' Meetings With Video Conferencing

#### Article 44-9

Shareholders' meetings with video conferencing are divided into the following two types:

1. Hybrid shareholders' meeting: means the company convenes a physical shareholders' meeting with the assistance of video conferencing, and shareholders may choose to take part in the shareholders' meeting physically or by means of video conference.
2. Virtual-only shareholders' meeting: means the company does not convene a physical shareholders' meeting, and convenes the meeting only by video, and shareholders may attend the shareholders' meeting only by means of video conferencing.

A shareholder taking part in a shareholders' meeting by video conference shall be deemed to have attended in person.

Unless otherwise provided in these Regulations, a company that will convene a shareholders' meeting with video conferencing shall expressly provide for such meetings in its Articles of Incorporation and obtain a resolution of its board of directors. Furthermore, convening of a virtual-only shareholders' meeting shall require a resolution adopted by a majority vote at a meeting of the board of directors attended by at least two-thirds of the total number of directors.

If a company will convene a hybrid shareholders' meeting within 1 year from the date of issuance of the 4 March 2022 amendments to these Regulations, and it has not yet made express provision in its Articles of Incorporation permitting the convening of shareholders' meetings with video conferencing, it shall obtain approval by a majority vote of the directors in attendance at a board of directors meeting attended by two-thirds or more of the directors before proceeding to convene the meeting.

If, due to a natural disaster, unforeseen event, or other force majeure event, the Ministry of Economic Affairs announces that within a certain period of time companies may hold their shareholders' meetings by means of video conferencing, companies may be exempted during that period from the requirement of express provision in their Articles of Incorporation under paragraph 3.

When an event occurs as announced by the Ministry of Economic Affairs under the preceding paragraph, and a company will hold a shareholders' meeting with video conferencing as resolved by its board of directors, it may do as follows:

1. If the company is changing the method for convening the shareholders' meeting and has already mailed the shareholders' meeting notice or transmitted it via electronic document, it may give notice of the change of method for convening the shareholders' meeting on the information reporting website designated by this Commission.
2. If a company convenes a virtual-only shareholders' meeting and provides alternative measures for shareholders who would have difficulty attending the shareholders' meeting by means of video conferencing to exercise their voting rights in writing, any shareholder who wishes to exercise their voting rights in writing shall first submit an application to the company, and the provisions of Article 5, paragraph 2 of the Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies regarding additionally sending materials to

the shareholders will not apply.

3. Other necessary emergency measures as prescribed by this Commission. If a shareholders' meeting with video conferencing is convened by any person with convening rights other than the board of directors, the provisions of this chapter shall apply mutatis mutandis, and the convening of the meeting may be exempted from the requirement of express provision in the Articles of Incorporation under paragraph 3.

#### Article 44-10

When a company convenes a shareholders' meeting with video conferencing, it shall outsource the video conferencing related matters.

Entities engaged to handle the video conferencing related matters under the preceding paragraph shall be limited to shareholder services agents under Article 3, paragraph 1 or the centralized securities depository enterprise, and shall meet the following requirements:

1. Have at least three dedicated information professionals.
2. The video conferencing platform shall be equipped with functions for shareholder registration, registration for participation in video conferencing, sign-in, watching of live broadcast, asking questions, voting, counting votes, and information disclosure, as well as identification and security mechanisms for shareholders exercising voting rights, and shall have obtained documentation of certification under an international standard of information security management.
3. The video conferencing platform shall be equipped with on-site and remote backup mechanisms.
4. When the video conferencing platform involves the collection, processing, use, or international transmission of personal data, the company shall formulate a security plan for personal data protection and provide documentation of personal data protection related certification. The entity engaged to handle video conferencing matters shall formulate an information security management policy and report it, together with the relevant documents proving qualification under the preceding paragraph, to this Commission for recordation, before it may begin to handle video conferencing related matters.

An entity that has already been engaged to handle video conferencing matters prior to the issuance of the 4 March 2022 amendments to these Regulations shall report to this Commission for recordation under the preceding paragraph within 6 months from the date of issuance of the amendments to these Regulations. An entity that fails to complete recordation by that deadline may not accept any engagement to handle video conferencing matters.

An entity engaged to handle video conferencing matters shall every year report the audit results of the certification of compliance with the international standard of information security management under paragraph 2, subparagraph 2 to this Commission for recordation.

An entity engaged to handle video conferencing matters may not simultaneously, for the same company, accept engagement to handle shareholder services matters or serve as a shareholders' meeting proxy solicitor, proxy agent, or person engaged to handle proxy solicitation matters.

#### Article 44-11

To hold a virtual-only shareholders' meeting, a company shall meet the following conditions with respect to the meeting:

1. There will be no proposal at the shareholders' meeting for election of directors or supervisors.
2. There will be no proposal at the shareholders' meeting for discharge of a director or supervisor.
3. There will be no proposal at the shareholders' meeting under Article 185 or 316 of the Company Act, Article 18, 27, 29, or 35 of the Business Mergers And Acquisitions Act, or Article 24, paragraph 2, subparagraph 1, or Article 26, paragraph 2, subparagraph 1 of the Financial Holding Company Act.
4. If the company's stock is neither listed on the stock exchange nor traded on the OTC market, it shall handle its shareholder services through outsourcing to a professional shareholder services agency.

To hold a hybrid shareholders' meeting, a company shall meet the following conditions with respect to the meeting:

1. There will be no proposal at the shareholders' meeting for election of directors or supervisors, or if there is a proposal for election of directors or supervisors, the number of candidates does not exceed the number of seats to be filled in the election.
2. There will be no proposal at the shareholders' meeting for discharge of a director or supervisor.
3. If the company's stock is neither listed on the stock exchange nor traded on the OTC market, it shall handle its shareholder services through outsourcing to a professional shareholder services agency.

#### Article 44-12

When a company will convene a shareholders' meeting with video conferencing, if a shareholder has engaged a proxy to attend the shareholders' meeting, the shareholder may not then attend the shareholders' meeting unless otherwise provided in these Regulations or the Company Act.

When a shareholder engages a proxy agent to attend a shareholders' meeting, if, after the service of the power of attorney of the proxy to the company, the shareholder issuing the proxy intends to take part in the shareholders' meeting by video conference, the shareholder shall issue a proxy rescission notice to the company by 2 days prior to the scheduled date of the shareholders' meeting. In the absence of a timely rescission, the voting power exercised by the authorized proxy agent at the meeting shall prevail.

#### Article 44-13

When a company will convene a shareholders' meeting with video conferencing, if a shareholder, proxy solicitor, or proxy agent intends to take part in the meeting by video conferencing, they shall register with the company by 2 days prior to the scheduled meeting date of the shareholders' meeting.

When a company will convene a hybrid shareholders' meeting, if a shareholder, proxy solicitor, or proxy agent who has registered to take part in the meeting by video conferencing intends to attend the physical shareholders' meeting in person, they shall, by 2 days prior to the scheduled date of the shareholders' meeting and in the same manner previously used to register, rescind the registration. In the absence of a timely rescission, they may take part in the shareholders' meeting only by means of video conferencing.

#### Article 44-14

When a company will convene a shareholders' meeting with video conferencing, if a shareholder who has exercised their voting rights in writing or by electronic means intends to take part in the shareholders' meeting by video conference, the shareholder shall, by 2 days prior to the scheduled date of the shareholders' meeting and in the same manner previously used in exercising their voting rights, rescind the previous declaration of intention made in the aforesaid previous exercise of voting rights. In the absence of a timely rescission, the voting power exercised in writing or by electronic means shall prevail.

#### Article 44-15

When a company will convene a shareholders' meeting with video conferencing, the company or its shareholder services agent shall duly compile a statistical statement of the number of shares obtained by the proxy solicitor through solicitation, the number of shares represented by proxy agents, and the number of shares represented by shareholders attending the meeting in person or by electronic means, and shall disclose the statement on the video conferencing platform before the convening of the shareholders' meeting.

#### Article 44-16

Only after a shareholder, proxy solicitor, or proxy agent that has registered with the company to take part by means of videoconferencing has logged into the video conferencing platform and completed sign-in may the

shares they represent be counted in the total number of shares and the number of voting rights of the shareholders in attendance at the shareholders' meeting. Unless otherwise provided by these Regulations or the Company Act, they then may watch the direct broadcast of the shareholders' meeting, raise questions, vote, and submit extemporary proposals or propose amendments to the contents of the original proposals. If a shareholder has exercised voting rights in writing or by electronic means, and has not rescinded their declaration of intention, if they then take part in the shareholders' meeting by videoconferencing, they may not, with the exception of on extemporary proposals, further exercise any voting rights on the original proposals or propose any amendments to the original proposals or exercise voting rights on or propose amendments to the original proposals.

#### Article 44-17

When a company convenes a shareholders' meeting with video conferencing, when the meeting is called to order, the total number of shares represented by shareholders attending the meeting shall be disclosed on the video conferencing platform. The same shall apply whenever a new tally of the total number of shares represented at the meeting and the number of voting rights thereof is made during the meeting.

When a shareholders' meeting of the company is called to order, a voting function shall simultaneously be provided for shareholders, proxy solicitors, or proxy agents taking party by video conferencing, and notice shall be given of the following matters:

1. Those taking part by video conferencing shall cast votes on proposals and elections through the video conferencing platform, and shall complete the casting of their votes before the chair announces the close of voting, or will be deemed to have abstained from voting.
2. Votes shall be counted at once after the chair announces the close of voting, and the results of votes and elections shall be announced immediately.
3. Questions on individual proposals may be raised by inputting them through the video conferencing platform. A participant may not raise more than two questions on any single proposal, and each question raised may not exceed 200 words.

During the meeting period of a virtual-only shareholders' meeting convened by a company, the meeting chair and secretary shall be at the same location within the country.

#### Article 44-18

When a company convenes a shareholders' meeting with video conferencing, when a shareholder, proxy solicitor, or proxy agent, through the video conferencing platform, before the chair announces the close of voting, casts a vote on any proposal and casts a vote on any election, their declaration of intention shall be deemed to have been served on the company. If no declaration of intention is made, it shall be deemed a waiver of the voting right.

When a shareholder, proxy solicitor, or proxy agent, through the video conferencing platform, before the chair announces the close of voting, amends their declaration of intention with respect to a vote they have already cast, they shall be deemed to have rescinded the previous declaration of intention, and the amended declaration of intention shall prevail.

#### Article 44-19

When a company convenes a shareholders' meeting with video conferencing, after the procedures for the tallying of votes have been completed for each proposal and election, the results of the voting and the names of those who have been elected, and the names of those who have not been elected, as directors and supervisors (including the numbers of votes cast on the proposals and in the elections), and shall record them in the meeting minutes and immediately upload them to the video conferencing platform.

#### Article 44-20

When a company will convene a shareholders' meeting with video

conferencing, if due to circumstances of a natural disaster, unforeseen event, or other force majeure event, any disruption occurs in the video conferencing platform or in participation by means of video conferencing, such that the meeting cannot be convened or cannot continue, then unless otherwise provided by these Regulations, the company shall postpone the meeting for not more than, or reconvene the meeting within, 5 days, and Article 182 of the Company Act shall not apply.

When a company postpones or reconvenes a meeting under the preceding paragraph, shareholders who did not register to take part by video conferencing in the originally scheduled shareholders' meeting by video conferencing may not take part by video conferencing in the postponed or reconvened meeting.

When a company postpones or reconvenes a meeting under paragraph 1, shareholders, proxy solicitors, or proxy agents who registered to take part by video conferencing in the originally scheduled shareholders' meeting and completed sign-in, but do not participate in the postponed or reconvened meeting, the number of shares represented by them and voting rights and election rights exercised by them shall be counted toward the total number of shares, number of voting rights and number of election rights of shareholders represented at the postponed or reconvened meeting.

When inability to continue video conferencing as set out in paragraph 1 occurs at a hybrid shareholders' meeting convened by the company, if the total number of shares represented at the shareholders' meeting after deduction of the number of shares represented through attendance by video conferencing still reaches the legal quorum for convening of the shareholders' meeting, the shareholders' meeting shall continue in session, without need to postpone or reconvene the meeting as set out in paragraph 1.

When it occurs that a shareholders' meeting shall continue in session as set out in the preceding paragraph, the number of shares represented by the shareholders, proxy solicitors, or proxy agents who were attending the shareholders' meeting by video conferencing shall be counted toward the total number of shares represented by the shareholders attending the meeting, but they shall be deemed to have waived their voting rights on all proposals at that shareholders' meeting.

When a company postpones or reconvenes a shareholders' meeting as set out in paragraph 1, no redundant discussion or resolution is required for proposals, or for lists of elected directors and supervisors, for which the votes have already been cast and counted and the results have been announced.

When a company postpones a meeting for not more than, or reconvenes the meeting within, 5 days as set out in paragraph 1, the time periods set out in the following provisions of laws and regulations shall not change, and the company shall do the matters set out in the provisions based on the originally scheduled date of the shareholders' meeting and the content of the respective provisions: Article 165 paragraph 3, Article 172 paragraph 3, Article 172-1, Article 177 paragraphs 3 and 4, Article 177-2 paragraphs 1 and 2, Article 177-3 paragraph 2, Article 192-1, and Article 216-1 of the Company Act; Article 41, Article 44-3, Article 44-5 paragraph 1, and Article 44-6 of these Regulations, Article 7, the forepart of Article 12, Article 13 paragraph 1, and Article 13-1 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies; Article 23 of the Regulations Governing Information to be Published in Annual Reports of Public Companies; Article 5 and Article 6 of the Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies; and Article 4 and Article 6 paragraph 2 of the Regulations Governing the Operation of and Compliance Requirements for Split Voting by Shareholders of Public Companies.

With respect to the time periods set out in the following provisions, the company shall perform the matters provided for therein based on the date of the shareholders' meeting as postponed or reconvened under paragraph 1 herein: the latter part of Article 12, and Article 13 paragraph 3, of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies; Article 44-5 paragraph 2, Article 44-15, and Article 44-17 paragraph 1 of these Regulations.

#### Article 44-21

When a company will convene a shareholders' meeting with video conferencing, it shall specify the following matters in the shareholders' meeting notice:

1. The means for shareholders to take part in the video conferencing and exercise their rights.
2. Measures to be taken if, due to circumstances of a natural disaster, unforeseen event, or other force majeure event, any disruption occurs in the video conferencing platform or in participation by means of video conferencing, including at least the following particulars:
  - A. To what time the meeting is postponed or from what time the meeting will resume if the above disruption continues and cannot be eliminated, and the date to which the meeting is postponed or on which the meeting will resume.
  - B. Shareholders that have not registered to take part by video conference in the originally scheduled shareholders' meeting may not take part by video conference in the postponed or reconvened meeting.
  - C. When the company convenes a hybrid shareholders meeting, if the virtual meeting cannot be continued, then if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the shareholders meeting by video conferencing, meets the legal quorum for holding a shareholder meeting, the shareholders meeting shall continue in session. The number of shares represented by the shareholders, proxy solicitors, or proxy agents who were attending the shareholders' meeting by video conferencing shall be counted toward the total number of shares represented by the shareholders attending the meeting, but they shall be deemed to have waived their voting rights on all proposals at that shareholders' meeting.
  - D. Measures to be taken if the outcome of all proposals have been announced but extemporaneous motions have not yet been proceeded with.
3. When the company convenes a virtual-only shareholders' meeting, it furthermore shall specify appropriate alternative measures available to shareholders who have difficulty taking part in a virtual shareholders' meeting. Except in the circumstances set out in Article 44-9, paragraph 6, it shall at least provide the shareholders with connection facilities and necessary assistance, and specify the period during which shareholders may apply to the company and other related matters requiring attention.

#### Article 44-22

When a company will convene a shareholders' meeting with video conferencing, the minutes of the meeting, in addition to recording the information required under Article 183, paragraph 4 of the Company Act, shall furthermore record the starting and ending time of the shareholders' meeting, the method by which the meeting is convened, the names of the chair and the secretary, and the measures taken in the event of any disruption in the video conferencing platform or participation by video conferencing due to natural disaster, unforeseen event, or other force majeure event, and the outcome of the handling of such disruption.

When the company convenes a virtual-only shareholders' meeting, in addition to complying with the requirements in the preceding paragraph, the company shall specify in the meeting minutes the alternative measures made available to shareholders who have difficulty taking part in the shareholders' meeting.

#### Article 44-23

When a company will convene a shareholders' meeting with video conferencing, it shall keep and preserve records of information on matters including shareholder registration, registration for participation in video conferencing, sign-in, raising of questions, voting, and the results of the votes counted by the company, and continuously audio and video record, without interruption, the proceedings of the video conference from beginning to end.

The information and audio and video recording under the preceding paragraph shall be properly kept by the company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the entity engaged to handle video conferencing matters.

After the shareholders' meeting, the entity engaged to handle video

conferencing matters shall keep the information and audio and video recording under paragraph 1 for the periods as provided below:

1. The information on shareholder registration, registration for participation in video conferencing, sign-in, raising of questions, voting, and the results of the votes counted by the company shall be kept for at least 3 years. If, however, a shareholder brings an action pursuant to Article 189 of the Company Act, the information shall be kept until the conclusion of the action.

2. The audio and video recording of the video conference provided by the company shall be kept for at least 1 year. If, however, a shareholder brings an action pursuant to Article 189 of the Company Act, the information shall be kept until the conclusion of the action.

### Chapter III Management of the Shareholdings of Directors, Supervisors, Managerial Officers and Shareholders Holding More than 10 Percent of the Total Shares

#### Article 45

Upon the registration of its publicly issued stocks, a company shall announce the type of stocks and number of shares held by its directors, supervisors, managerial officers, and shareholders holding more than 10% of the total shares of the company by transmitting such information via the information reporting website designated by this Commission; after transmission has been completed, public notice shall be deemed to have been duly given

The number of shares held by the persons referred to in the preceding paragraph shall include shares held by their spouses and minor children and those held under the names of other parties.

#### Article 46

The shareholders referred to in paragraph 1 of the preceding Article shall report to the company any changes in their shareholding during the previous month by the fifth day of each month. By the 15th day of each month, the company shall compile such information and transmit it via the information reporting website designated by this Commission; after transmission has been completed, public notice shall be deemed to have been duly given. The provisions of paragraph 2 of the preceding Article shall apply mutatis mutandis to paragraph 1.

#### Article 47

Where the stocks of persons referred to in Article 45, paragraph 1 are pledged, the pledgor shall immediately notify the company; within five days, the company shall transmit such information via the information reporting website designated by this Commission; after transmission has been completed, public notice shall be deemed to have been duly completed.

#### Article 48

During his term in office, if a director or supervisor of a company transfers more than half of the total shares owned by such person at the beginning of his term of office, such person shall be automatically removed from his position; the company shall immediately proceed with the registration of the removal from office with the relevant authorities.

After re-election of directors or supervisors effected prior to the expiration date of the term of office of existing directors, if any new director or supervisor elect has, before his or her inauguration of the office of director, assigned more than one-half of the total number of shares of the company he or she holds at the time of his or her election, or had transferred more than one-half of the total number of shares he or she held during the book closure period fixed prior to the convening of a shareholders' meeting, then his or her election as a director shall become invalid.

### Chapter IV Supplementary Provisions

#### Article 49 (Deleted.)



Article 49-1  
(deleted)

Article 49-2

These Regulations apply mutatis mutandis to any primary exchange (or OTC) listed company or emerging stock company as defined in Article 3 of the Regulations Governing the Offering and Issuance of Securities by Foreign Issuers.

When the laws and regulations of the country of registration of a primary exchange (or OTC) listed company or an emerging stock company contain no provisions for a book closure period, then the convening of a regular shareholders meeting or a special shareholders meeting or a decision to distribute dividends, bonus or other benefits may be carried out in accordance with the laws and regulations of the country of its registration, and are not subject to the restrictions of Article 41.

Article 50

These Regulations shall enter into force from the date of issuance. Among the amended provisions of these Regulations, the provisions of Article 19, paragraph 2 and Articles 35 and 36 as amended on 20 November 2009 shall enter into force from 23 November 2009, the provisions of Article 3-5 as amended on 2 March 2021 shall enter into force from 1 January 2022, and the others shall enter into force from the date of issuance.

---

Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System