

1.Market Stability

1.1 Securities market supervision

As the core administrator of the securities market and an ardent supporter of government policy, the TWSE supports listed companies and securities firms in establishing sound operations. For the benefit of listed companies, securities firms, investors, and all market participants, it is imperative that we develop comprehensive management mechanisms, fulfill our supervisory role in the market, and stabilize market trading and operations. Looking to the future, the TWSE will continue strengthening the regulatory mechanism through emerging technologies, reducing manual operations via digital transformation, and improving the efficiency of routine management tasks, thereby promoting the stable development of the capital market.

Listed companies

Listed companies are indispensable to the sturdy development of the economy and society. The TWSE assists in the drafting and implementation of listing regulations to promote the listing of outstanding companies, as well as providing review, supervision, and other services.

- **Management mechanisms of listed companies**

Management Mechanism	Content	2025 Performance
Regular management	Audit of internal control systems of listed companies	**165** companies audited
	Review of financial statements of listed companies	**303** companies reviewed
	Review of expert opinions	**19** companies reviewed
Spot checks	Monthly analysis of material abnormal events of listed companies	**1,462** companies inspected
	Quarterly analysis of financial reports of all listed companies	Analysis of all listed companies
Verification of material information	Conduct verification of material information released by listed companies, including their timeliness, accuracy, and completeness	**45,607** pieces of material information reviewed

- **Seminars for listed companies**

In 2025, the TWSE held eight Business Seminars for Listed Companies, with over 1,200 participating representatives from listed companies (including executives in accounting, auditing, shareholder services, investor relations, and corporate governance). The seminars focused on a wide range of topics, such as Material Information and Trading Halts: Concepts and Case Studies, Key Points for Annual Information Filing Amendments, Amendments to Corporate Governance Regulations and Related Practices, Recent Regulatory Amendments, Cybersecurity Dissemination, Article 14 of the Securities and Exchange Act: Reporting for Adjustments to Salaries or Allocation of Compensation for Grassroots Employees, Introduction to IR Engage Platform, and Carbon Trading.

Securities firms

Securities firms are chartered securities institutions. Once a securities firm encounters a severe crisis, it will not only endanger its clients but also affect the operation of the securities market. Therefore, to ensure that securities firms are financially sound and compliant with relevant rules and regulations, the TWSE has established regulations governing securities firms, their internal control, and internal auditing standards, as well as promoting the understanding of these regulations. The TWSE reviews securities firms' finances, operations, information security, plus internal audit systems, and provides follow-up guidance on any deficiencies found in the review. This also includes matters of registration, management, and penalties in cases of violation for securities firms and their personnel.

・Management approach to securities firms

Management Approach	Content	Cases in 2025
Routine audit	Audit on the financial, business, cybersecurity, and internal auditing operations; follow-up assessment and guidance on those securities firms with deficiencies or unsatisfactory ratings in the internal audit.	**23**
Special audit	Request improvement and submit a review report within a prescribed time from securities firms that are at operational risk, with consecutive losses, lacking improvements on internal auditing deficiencies, or are in violation of the laws or regulations.	**52**
Selective audit	Audit on indicators of irregularities, complaints from investors, and the matters for which the competent authority requests an audit, and more, plus manage the follow-up, assessment, and guidance on such.	**647**
Anti-money laundering and combating the financing of terrorism audit	Send an official letter requesting such securities firm to improve on any deficiency in the TWSE audited subjects such as its risk assessment or classification method on the securities firm's individual clients.	**9**

In addition to conducting audits on securities firms in 2025, the TWSE continues to promote various measures to strengthen information security, including assisting securities firms to attain international information security certification, providing guidance on the allocation of information security workforce according to different levels, and helping information security personnel to obtain accreditation. These measures serve to improve securities firms' cybersecurity governance, quality and number of personnel, capabilities, and overall management system.

As a major operator of the capital market, the TWSE not only assists the FSC in communicating the future direction of market policies but also collects market feedback from securities firms. Therefore, the TWSE conducts numerous briefings each year to enhance communication with market participants. Publicity activities held in 2025 are listed below:

・Promotional activities for securities firms

Event	Benefits	2025 Performance
Cyber Security Seminar for Securities Firms	Strengthen securities firms' focus on cybersecurity issues and urge them to comprehensively augment their information security protection capabilities by establishing network security protection measures in line with regulations while improving cybersecurity measures and human resources, with the ultimate goal of a zero-tolerance approach to protecting overall information security.	One session was held with **150** participants in attendance, including representatives from the FSC, Taiwan Securities Association, and executives from securities firms.
Training Program of the Standard Directions for Internal Control Systems in Securities Firms	Ensure that securities firms and securities introducing brokers fully understand the amended standard directions for internal control systems, so that such systems can be fully reviewed, revised, and implemented.	A total of 17 sessions were conducted, with **1,660** participants.
Professional Courses of Securities Regulations and Business Practice	Promote securities industry members' understanding of relevant revisions to securities market regulations, so as to improve their service quality and safeguard investor rights and interests.	A total of 15 sessions were held, with **2,400** participants.
Securities Brokers and Dealers Senior Executive Seminar	Assist securities firms to expand business opportunities; collect their feedback to enhance the efficiency of the securities market.	One session was conducted with **170** participants in attendance, including representatives from the FSC, Taiwan Securities Association, and executives from securities firms (dealers and brokerages).
Forum for Responsible Persons for Securities Firms	Maintain regular contact with the responsible persons of securities firms to maintain good relationships and channels of communication, so as to facilitate the major operations of the TWSE.	One session was held with **200** participants in attendance, including the chairs and general managers of securities firms, representatives of the FSC, the Taiwan Securities Association, and peripheral organizations, to exchange views on overall business issues such as development trends, policy directions, and management measures of the securities market.
Securities Underwriters Personnel Seminar	Engage in bilateral communication with underwriters to achieve the goal of information symmetry and transparency in the securities market.	Six personnel seminars for domestic and foreign securities underwriters were held with **512** participants.

Looking ahead, the TWSE will focus on supervising securities firms in their digital transformation and information security resilience. In terms of digital transformation, the TWSE will continue to refine relevant regulations as well as assist securities firms in promoting B2C digital services, improving investor convenience, and providing customized AI services. Data analytics is utilized for risk identification and precision audits, plus establishing a digital system for auditing securities firms, to achieve the goals of intelligent supervision and carbon reduction. In terms of information security, the TWSE will remain vigilant on cybersecurity risks, urging securities firms to conduct comprehensive cybersecurity assessments, while enhancing information security regulations and the zero trust network, to ensure information security and regulatory compliance during the digital transformation process.

Market surveillance

The TWSE carries out front-line surveillance of the stock market under FSC supervision, and the main operations include: public announcement of abnormally traded stocks, audit of suspected insider trading or abnormal manipulation of stock prices, processing the filing of insider shareholding changes, reviewing TV investment programs along with their analysts for any violations against relevant regulations, and reporting suspicious investment fraud advertisements from online media platforms to the FSC. The goal of the market surveillance system is to maintain the stock market's security and fairness.

・Market surveillance mechanisms

Surveillance Mechanism	Content	2025 Performance
Surveillance and early warning notice	Abnormally traded stocks will be announced and marked as stocks requiring attention and relevant measures.	• Announcements of Attention Securities: **3,205** times (13.18 times a day). Announcements of Disposition Securities: **121** times (0.49 times a day).
Audit of illegal trading	The TWSE audits any abnormal trading of TWSE listed stocks and reports to the regulatory authority or relevant law enforcement authority upon finding any illegality.	• In cooperation with the regulatory and judicial authority, assisted in the analysis of related trading in high profile cases, provided clarification, and reported any illegal transactions to authorities in accordance with the law. • Six sessions of insider trading prevention seminars were held in-person and online, with **1,579** participants, to introduce relevant regulations and real-life examples of insider trading prevention.
Insider shareholding reporting	The TWSE established an operating system to review declarations and public disclosure of substantial shareholding, as well as the "Insider Shareholding Filing System" for insiders to report their shareholding changes before and after a transfer. These changes should also be disclosed on MOPS, which would inform the public of insider shareholding changes, effectively monitor and prevent illegal activities, and allow investors to make informed decisions about future operations of the company based on shareholding changes.	• In 2025, the TWSE reviewed, filed, and reported **687** cases of acquisition of substantial shareholding. • Listed companies are urged to report insider shareholding changes before the 10th of each month; those that do so will receive higher marks on their Corporate Governance Evaluation due to the addition of this indicator. In 2025, a total of **97.46%** of listed companies complied with advance reporting. • Six seminars promoting compliance with insider shareholding regulations were held in-person and online, with **1,690** participants.
Record cable TV programs	The TWSE records and reviews TV investment programs and their analysts daily, reporting any violation to the FSC on a periodic basis; if there is any opinion on such TV programs or if the analyst suspiciously exaggerates the listed company's performance, the TWSE requests the listed company to announce and clarify material information.	• In the recording and monitoring of TV investment programs, there were five channels and more than 70 shows that were reviewed **3,160** times. Program analysts were reported to the FSC 28 times for making comments that clearly violated regulations.
Reporting suspicious investment fraud advertisements from online media platforms	Utilizing information technology search techniques, the TWSE established an inspection and sampling mechanism for online media platforms, plus reported suspicious investment fraud advertisements to the FSC on a daily basis. This provides the Criminal Investigation Bureau with legal grounds to request online platform operators to take down illegal advertisements, thereby cutting off investment fraud advertisements at the source.	• In 2025, the regular inspection mechanism found a total of **17,774** suspected investment fraud advertisements, including **16,015** Facebook advertisements and **1,759** Google advertisements.

1.2 Strengthen information disclosure

The TWSE actively promotes the Sustainable Development Action Plans for TWSE and TPEx Listed Companies to enhance communication with investors and improve the disclosure of sustainability-related information, with a special focus on the three aspects of create a sound ecosystem for corporate sustainable development, strengthen sustainability disclosure, and enhance corporate governance culture. We have made updates to our evaluation of sustainability-related indicators, specifically regarding diversified board composition and ESG information disclosure, and raised awareness of these changes. The TWSE aims to strengthen the transparency and sustainable governance of the market and position us with global sustainable development trends.

• Create a sound ecosystem for corporate sustainable development and strengthen information disclosure

As the major platform for Taiwan's capital market, the TWSE works in collaboration with the FSC's Sustainable Development Action Plans for TWSE and TPEx Listed Companies to outline strategies and action plans to advance Taiwan's ESG competitive advantage and create an ESG ecosystem incorporating all stakeholders, including securities peripheral units, listed companies, investors, intermediary institutions, other market players, and academic institutions/NGOs.

Sustainable Development Action Plans for TWSE and TPEx Listed Companies

Following the FSC's Sustainable Development Action Plans for TWSE and TPEx Listed Companies (2023), the TWSE has focused on the four pillars: governance, transparency, digitalization, and innovation in achieving the five categories of action plans: 1. Lead companies to reach net zero; 2. Deepen companies' sustainable governance culture; 3. Enhance the disclosure of sustainable information; 4. Strengthen communication with stakeholders; and 5. Establish ESG evaluation and ESG digitalization. At present stage, all objectives have been completed, and we look forward to furthering the next stages of corporate sustainable development with the guidance of the FSC.

01

Lead listed companies to reach net zero

- Urged companies to establish carbon reduction targets, strategies, and specific action plans; revised Corporate Governance Evaluation indicators.
- Assisted in establishing a carbon credit trading platform; continued to cooperate with the Ministry of Environment's planning in providing experience in securities transactions.
- Released the Reference Guide for Scope 3 Greenhouse Gas Inventory Operations and quick guides to encourage companies to disclose Scope 3 greenhouse gas information, and held related seminars.

02

Deepen companies' sustainable governance culture

- Added the indicator in the ESG Evaluation that all of the independent directors shall serve no more than three consecutive terms.
- Completed the feasibility study of requiring listed companies to establish a sustainable development committee.
- Established templates for the Corporate Governance Evaluation indicators and conducted educational seminars.

03

Enhance the disclosure of sustainable information

- Continued to review the sustainability reports of listed companies.
- Continued to review auditors' assurance working papers on industry sustainability indicators and GHG inventory.

04

Strengthen communication with stakeholders

- Officially launched the digital platform for stewardship reports.
- Completed the feasibility study of requiring listed companies to establish a list of major shareholders and beneficiaries.

05

Establish ESG evaluation and ESG digitalization

- Launched the Sustainability Report Assistance Function on the ESG Digital Platform.
- Expanded the ESG database to include 102 ESG indicators, as well as additional reporting and disclosure functions on sustainable economic activities and SASB indicators.
- Promoted understanding of the ESG Evaluation.
- Continued to collect and integrate ESG-related resources and information from all around the world.

Strengthen planning and effectiveness of information disclosure

In response to international trends and to strengthen the sustainable development of Taiwan's enterprises, the FSC amended the Regulations Governing Information to be Published in Annual Reports of Public Companies on November 7, 2025. Under the new rules, in clear alignment with the IFRS Sustainability Disclosure Standards, companies that meet certain conditions should include in their annual report a dedicated section on sustainability-related financial information approved by their board of directors. This will not only help enhance the international visibility and competitiveness of Taiwan's companies, but also guide funds to sustainable investments, prevent greenwashing, and accelerate companies to achieve sustainable transformation and commitment goals.

The FSC issued an official letter on November 12, 2025, specifying the timeline for TWSE and TPEx listed companies to adopt IFRS Sustainability Disclosure Standards as follows:

01 By fiscal year 2026: Listed companies with a paid-in capital of over TWD10 billion.

02 By fiscal year 2027: Listed companies with a paid-in capital between TWD5 billion and TWD10 billion.

03 By fiscal year 2028: All listed companies.

As the convener of the second working group responsible for the introduction of IFRS Sustainability Disclosure Standards under the Task Force for Promoting Taiwan's Alignment with IFRS Sustainability Disclosure Standards, the TWSE's main duties are to study practical issues encountered in adopting the standards and compile practical examples along with guidelines for companies as reference. The following are the key outputs in 2025, all of which are available on the IFRS Sustainability Disclosure Standards Alignment Area website.

1. Published and continually updated the FAQ on IFRS Sustainability Disclosure Standards, in response to feedback from companies regarding difficulties encountered during the alignment process.
2. Compiled a TIG Q&A based on the discussions of the IFRS S1 and S2 Transition Implementation Group (TIG) established by the ISSB, to better understand global practices.
3. Published the Chinese translation of the 77 SASB industry standards, including the reporting metrics and disclosure topics, on the ESG Digital Platform, to encourage listed companies to disclose relevant information.
4. Released the self-assessment templates, guidance, and industry-specific disclosure examples for IFRS Sustainability Disclosure Standard S2 – Climate-related Disclosures, to help companies understand and align with disclosure standards.
5. Released and updated the Reference Guide and Frequently Asked Questions for Scope 3 Greenhouse Gas Inventory Operations to assist companies in conducting Scope 3 inventory.
6. According to the announced plan requiring listed companies to adopt IFRS Standards in phases based on capital size, companies are required to submit reports according to schedule. The TWSE monitors their progress and has established a service window to assist companies that have fallen significantly behind schedule.

As the IFRS S2 requires entities to disclose GHG emissions, the TWSE conducted a questionnaire to explore enterprises' understanding of the implementation timeframe and methodology of Scope 3 GHG reporting. An advisory group was convened to discuss the questionnaire results and submit proposals to the competent authority for future reference.

Developments in promoting domestic sustainability reporting

① As of 2025, all listed companies are required to release their sustainability reports. Among the reports that have been reviewed, 910 have been approved by their board of directors, accounting for 87.42%; 561 have acquired third party assurance, accounting for 53.89%.

② According to Article 4 of the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, companies in the food industry, chemical industry, financial and insurance industry, as well as those that derive no less than 50% of their operating revenue from food and beverage, must obtain an assurance report by a CPA on their industry-specific sustainability metrics. In 2025, this rule applied to 95 companies, all of which complied.

③ Companies are encouraged to refer to industry-based disclosure indicators and metrics in the SASB Standards in their sustainability reports; in 2025, a total of 813 listed companies complied.

ESG Digital Platform's Sustainability Report Assistance Function

The TWSE launched the Sustainability Report Assistance Function on the ESG Digital Platform in 2025 to ease the burden of companies in preparing sustainability reports. The platform automatically combines ESG information already disclosed by listed companies and also provides the following resources: GRI Standards and Samples, Sustainability Report Templates and Samples, in addition to Guidelines and Disclosure Samples for Material Topics in the Sustainability Report. Three sessions of the Sustainable Disclosure Practice Training and Advocacy Meeting for TWSE/TPEx Listed Companies were conducted to help companies understand system operations and practical applications, as well as boost information disclosure efficiency.

Amended rules related to sustainable development

2025 5/5

Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

Key points of the new/amended rule

- All listed companies must prepare and file an annual sustainability report.
- The sustainability report shall disclose the average and median salaries of full-time employees who do not hold managerial positions, as well as the changes in these two figures compared to the previous year.

2025 9/2

Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies

Key points of the new/amended rule

- TWSE/TPEx listed companies are advised to enhance the conservation of marine and terrestrial biodiversity along with ecosystems, promote the sustainable use of resources, and ensure fair and equitable benefits.
- It is advisable for TWSE/TPEx listed companies to establish placement programs to cultivate future industry talents.

Enhance sustainability disclosure

To assess whether listed companies prepared sustainability reports in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and whether assurance institutions performed assurance procedures and issued assurance reports on industry sustainability indicators in compliance with regulations, the TWSE reviewed 206 sustainability reports of listed companies, 4 assurance working papers of accounting firms on industry sustainability indicators, and 4 GHG assurance working papers of assurance institutions in 2025. In addition to notifying the audited companies and assurance institutions individually of the review results in writing, the TWSE also compiled and published a de-identified report of review results as reference, aiming to improve sustainability disclosure and enhance the completeness and comparability of their sustainability information.

- **Enhance corporate governance culture**

Promote corporate governance rules, planning priorities, and expected benefits

To assist the international development of issuing companies, guide them to enhance their corporate value, attract more international capital inflows, and strengthen their ability to create long-term value, the TWSE added Article 13-3 to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and established the Template for Corporate Value Enhancement Plan in 2024, to encourage companies to establish and disclose their operational strategies and business plans. Relevant practices have been incorporated into the 2025 Corporate Governance Evaluation as well as the 2026 ESG Evaluation as general indicators and extra credit indicators, to increase disclosure willingness through institutional incentives. In December 2025, the TWSE held five educational sessions on the ESG Evaluation and officially released the updated Disclosure Guidelines and Reference Examples for the Corporate Value Enhancement Plan. As of year 2025, a total of 482 companies, or 45% of all listed companies, have disclosed their value enhancement plans, achieving our own KPI target for 2025.

Transition from Corporate Governance Evaluation to ESG Evaluation

With environmental and social issues gaining international prominence, the FSC issued the "Sustainable Development Action Plans for TWSE and TPEx Listed Companies (2023)" in March 2023 to cultivate sustainable value within the market, ensure comprehensive assessment of TWSE/TPEx listed companies' sustainable development performance across various ESG dimensions, and equip investors with reliable references for ESG investment decisions. The plan expanded the existing Corporate Governance Evaluation and refined its indicators across the Environmental, Social, and Governance aspects, transforming it into the ESG Evaluation for year 2026. The indicators for the first annual ESG Evaluation were announced in October 2025, and numerous educational seminars were conducted in December of the same year to publicize the change.

For detailed information, please refer to the Sustainability section on page 32 - Corporate Governance Evaluation will be transformed into ESG Evaluation starting in 2026.



1.3 Establish multiple platforms

To keep abreast of digital development trends and in response to the government's goal of establishing Taiwan as the premier Asian Asset Management Center (AAMC), the TWSE has constructed multiple information platforms. By using digital and social media platforms to promote important business activities and events, we aim to enhance promotional effectiveness and reach out to general investors, giving them a stronger awareness of current issues and our latest policies.

•Multiple information platforms

Platform	2025 Highlights
ESG InfoHub	• The TWSE ESG InfoHub features a dedicated Sustainability Report Example Page to help companies quickly understand reporting framework and meet mandatory disclosure requirements. It offers a modernized visual dashboard with added ESG indicators, such as refined data visualization tools that allow for cross-company and cross-industry comparisons. The platform's digital resources significantly enhance the transparency and quality of information disclosure and deepen the effectiveness of communication with stakeholders.
ESG Digital Platform	• Continued to optimize content including ESG indicators, as well as additional reporting and disclosure functions on sustainability reports and sustainable economic activities. • Launched the Sustainability Report Assistance Function in February, alignment with IFRS in March, and support for SASB standards in October 2025. • Established an AI-assisted review system for sustainability reports and a monitoring system for the adoption of IFRS Sustainability Disclosure Standards.
Investment InfoHub	• New analysis visuals have been added showing the top 10 companies or single company in terms of SBL short sales and SBL balance; a section on tib has been added and upgraded.
ETFortune	• Continued to maintain and update the one-stop information platform ETFortune, which includes visual analysis tools, ETF-related statistics, dividend distribution information, ETF screener, and Learn from the Experts. • In September 2025, the TWSE launched a major upgrade focusing on strengthening disclosure for active ETFs and adding a dedicated Cross-Border ETF Section on the website. In line with the characteristics of active ETFs, the ETFortune website upgrade introduces three new key disclosure items — fund manager, investment strategy, and performance — helping investors better understand product fundamentals and performance. The new Cross-Border ETF Section consolidates information on ETFs cross-listed between Taiwan and overseas markets, offering content in Chinese, English, and Japanese for the benefit of international investors.

Platform	2025 Highlights
Market Insights	• A total of 145 articles were published on Market Insights, covering a variety of content including key business items, introductions of newly listed companies, columns by top executives, and regular market reports. • The number of views exceeded 190,000 in 2025.
IPO/SPO Information Hub	• In response to investor needs, the IPO Information Hub has been updated, renamed, and launched on December 31, 2025. The new IPO/SPO Information Hub provides comprehensive IPO/SPO data, such as a graphical underwriting calendar, quick schedule lookup, and market data. • Provides a one-stop, integrated platform for disclosing information on primary market underwriting activities from the Taiwan Securities Association to facilitate investor inquiry.
IR ENGAGE	• The TWSE continues to optimize and expand the one-stop investor website, IR ENGAGE, through its four main services: Investor Conferences, IR Zone, ESG Data Services, and Engagement Services. The main purpose of the platform is to help listed companies engage with institutional investors. To boost the exposure of tib listed companies, the IR ENGAGE platform created a special IR Zone with dedicated webpages for each company, along with FAQs and company highlights. In 2025, a total of 209 investor conferences for listed companies were scheduled, and 12 investor matchmaking meeting meetings were successfully arranged, involving 12 listed companies and seven financial institutions. • The platform's ESG value-added data provides members with the latest results and analysis of the TIP Taiwan ESG Ratings, prioritizing ESG topics for companies and institutional investors. • As part of the TWSE's broader Power Up Plan, the platform added financial statements and concrete corporate value enhancement plans. • As of the end of 2025, the TWSE IR ENGAGE platform has a total of over 1,200 registered members, including 800 TWSE and TPEx listed companies.
AAMC dedicated website	• The dedicated website of the AAMC was launched in September 2025. It serves as the core platform for policy communication, tracking evolving developments, and showcasing achievements. For financial institutions and investors at home and abroad, it provides the most up-to-date news on market trends and policy announcements. For the public and private sector, it serves to strengthen communication, improve transparency, and enhance policy implementation. • As of the end of 2025, the number of views exceeded 64,000.