

15 December 2016

Taiwan Stock Exchange Corporation
Corporate Governance Center
3F, 9-12F, No. 7, Sec. 5, Xinyi Rd.,
Taipei
Taiwan
11049

Dear Sir and Madam,

Re: Endorsement and Compliance: Taiwan Stewardship Principles for Institutional Investors

I am writing to endorse and confirm our compliance with the Taiwanese Stewardship Principles for Institutional Investors.

First State Investments ('FSI'), known as Colonial First State Global Asset Management in Australia, is the investment management business of the Commonwealth Bank of Australia. We are a global asset manager with established offices across Europe, the US, Middle East, and Asia Pacific regions. We are stewards of over US\$155.7bn in assets managed on behalf of institutional investors, pension funds, wholesale distributors and platforms, financial advisers and their clients worldwide.

First State Investments has a long running commitment to responsible investment (RI) and stewardship. Our RI strategy is based upon three strategic pillars of Quality, Stewardship and Engagement. This strategy is underpinned by a strong governance framework and is supported by our specialist RI team.

The team engages the entire business to deliver the strategy which is overseen by the Responsible Investment Steering Group, chaired by the CEO, whose role it is to monitor, direct and champion RI practices across the organisation.

Our Global Stewardship Principles fulfil the requirements of the UK Stewardship Code and other stewardship codes around the world, including Taiwan's code. The principles are underpinned by policies and processes which are overseen by the RI Steering Group. These policies include our engagement policy and RI policy, all of which are available on our [website](#).

In terms of the Taiwanese Stewardship Code's requirements, I have attached our global stewardship statement. The following sections of the statement are aligned with the Taiwanese code:

Principle 1 Establish and disclose stewardship policies

Please see page 2 and 3 (section: introduction, what we mean by stewardship, approach and governance)

Principle 2 Establish and disclose policies on managing conflicts of interest

Please see page 4 (Section: conflicts of interest)

Principle 3 Regularly monitor investee companies

Please see page 4 (Section: monitoring investee companies)

Principle 4 Maintain an appropriate dialogue and interaction with investee companies

Please see page 3 (Section: engagement)

Principle 5 Establish clear voting policies and disclose voting results

Please see pages 3 and 4 (Section: proxy voting)

Principle 6 Periodically disclose to clients or beneficiaries about status of fulfilment of stewardship responsibilities

Please see page 5 (Section: reporting and disclosure, and assurance)

The stewardship statement will be housed on our website in the [reports and policy section](#). We will also include a statement with the contents of this letter in the [news section of our website](#).

We congratulate the Taiwan Stock Exchange on this important initiative and welcome any questions or comments you may have on our approach to stewardship and responsible investment.

Yours sincerely



Pablo Berrutti
Head of Responsible Investment Asia Pacific