

Leading the Future With Technological Prowess Expanding Globally With Integrity and Compliance

The issue “Preventive measures in the private sector” stated in the 47 concluding observations (named “Anti-Corruption Reforms in Taiwan”) put forward by the 2018 Review Meeting of the Initial Report under the United Nations Convention against Corruption, has attracted extensive attention. Ministry of Justice continues to cooperate with both public and private sectors, seeking to establish an anti-corruption partnership, hence on October 6th this year, together with Ministry of Science and Technology, hosted 2021 Foreign Businesses and Enterprise Integrity Forum in Hsinchu Science Park, primarily discussing the protection of trade secrets, an issue that is currently a common concern in the technology community. Elites from industry, government agencies, and academia were invited to deliver presentations and engage in the panel discussion. The forum was held in the form of both physically and virtually, with hundreds of representatives from foreign businesses and companies and online viewers participating, and was an outright success.

The honorable guests and participants include Minister of Justice Tsai Ching-Hsiang; Minister of Science and Technology Wu Tsung-Tsong; Agency Against Corruption (AAC) Director-General Cheng Ming-Chian; Hsinchu Science Park Bureau Director-General Wayne Wang; Micron Technology Taiwan Inc. Senior Assistant General Counsel Suzanne Chou; Taiwan Semiconductor Manufacturing Company (TSMC) Vice President, Legal and General Counsel Sylvia Fang; Hsinchu District Prosecutors Office Chief Prosecutor Kou Yung-Fa; National Yang Ming Chiao Tung University Professor Lin Chih-Chieh; American Institute in Taiwan (AIT) Economic

Officer Patrick Boland; American Chamber of Commerce in Taipei (AmCham Taipei) Director Alfred Tsai; The Allied Association for Science Park Industries Chairman Li Chin-Kung, as well as several prominent corporate compliance representatives.

In his speech, Minister Tsai addressed, AAC has been collaborating with various ministries to organize such forum, facilitating a platform that enables the industry, government, academia, and manufacturers to gather and exchange opinions. The center of the discussion is to address issues regarding intellectual property rights, trade secrets and integrity, all topics that the government and the technology industry long deem of great importance, as technology being the economic lifeline of Taiwan. Properly protecting trade secrets ensures the sustainable operation of enterprise, should them being compromised, threatens not only the competitive advantage of our technological industry but also endangers our national security, this is an issue that Ministry of Justice has always attached great importance to. In addition to revising the rules of law, the Ministry also actively requests prosecutors and investigation units to rigorous enforcement and closely cooperate with private sectors, while hosting several seminars for communications to promote trade secrets protection. Moreover, according to Corruption Perceptions Index (CPI) published by Transparency International, Taiwan has been ranked 28th for two consecutive years, the best result in decades. We look forward to the enduring collective efforts of the public and private sectors in the future, and show the world the fruition of Taiwan's good governance.

In his speech, Minister Wu pointed out, during the pandemic, the total output value of the Hsinchu Science Park for the first half of this year reached NT\$1.7 trillion, and is expected to

exceed NT \$3.4 trillion by the end of this year, demonstrating the prowess of Taiwan's technology industry, particularly the semiconductor industry, which accounts for 70% of the Science Park's output value, being the leading figure of the world. In the future, in order for Taiwan to maintain such dominance, simply through technological development, innovative initiative, proper deployment of talents is not enough. The most essential is the integrity of corporate governance and the deep-rooted conviction of preserving trade secrets, to make Taiwan the most reliable participant in the international community.

As for benchmark learning, “Integrity matters – Micron Code of Business Conduct and Ethics”, shared by Ms Chou, expressed that in terms of the integrity management, what the leaders have in mind is vital. In Micron Technology, such tenet bears no exceptions nor being sacrificed under any circumstances; also, Micron's internal reporting system operates in 17 countries around the globe, and auditing is implemented based on the system's operation results, ensuring full compliance within the company. The keynote speech “From Trade Secret Management to Practice of Enterprise Integrity” delivered by Ms Fang, emphasized the protection of trade secrets as the major source of a corporate's competitive advantage; she addressed, according to a survey conducted by Transparency International, more than half of the consumers are willing to pay a premium for services provided by companies that value ethics and moral integrity, therefore, when corporate integrity becomes an element of consideration of consumers, profit can no longer be the only aim for corporate operations.

The panel discussion was hosted by Director-General Cheng, inviting guests to share their opinions on topics of “The impact of Compliance and Risk Management on business operations”, “The

importance of Corporate Social Responsibility (CSR) to Corporate Sustainable Operations” and “Views on Interaction and Influence between Trade Secrets and Corporate Integrity”, to form a strategic alliance of ethical management by both public and private sectors.

During the discussion, Mr Wang stated, in terms of social responsibility, besides the endeavor to preserve water, electricity and recycle industrial waste, more than half of the enterprises in the Science Park have voluntarily submitted corporate social responsibility reports, which have been well-received by the public. Ms Fang mentioned the pioneering trade secret registration system initiated by TSMC which enables managing and monitoring trade secrets from inside out; and TSMC’s Golden Trade Secret Awards which encourages employees to register innovative trade secrets, and awarding those whose registered trade secrets have been selected for contributing to the competitive advantage of TSMC. In terms of trade secrets violations in private sectors, Ms Chou added, in cases of trade secrets divulcation, investigation is conducted beforehand to assure the fundamental basis of claim for later litigation, and the advancement of forensic technology of the public sector in such cases is being wildly aspired to. Once there is an incident of trade secrets divulcation, Chief Prosecutor Kou reminded the essentials of internal investigations and the timing of public power intervention to improve evidence preservation. Professor Lin reminded enterprises not to fall victims to trade secret crimes, they have to, indicated by Professor Lin, take stock of and evaluate all the trade secrets and take reasonable security measures; at the same time, be aware not to commit the trade secret crimes themselves, establish and implement specific protection policies for employees, suppliers, clients and product

manufacturing processes.

Corruption knows no boundaries. The promotion of clean government is no longer limited to the public sector, as the participation of civil society is urgently needed. AAC will continue to work with the private sector to promote and implement “Compliance” and “Corporate Integrity”, in order to jointly create a top quality business environment.

Group photo of honorable guests: Minister of Justice Tsai Ching-Hsiang; Minister of Science and Technology Wu Tsung-Tsong; Agency Against Corruption (AAC) Director-General Cheng Ming-Chian; Hsinchu District Prosecutors Office Chief Prosecutor Kou Yung-Fa; Agency Against Corruption Deputy Director-General Chen Rung-Jou; Hsinchu Science Park Bureau Director-General Wayne Wang; Hsinchu Science Park Bureau Deputy Director-General Chen Shu-Chu; Micron Technology Taiwan Inc. Senior Assistant General Counsel Suzanne Chou; Taiwan Semiconductor Manufacturing Company (TSMC) Vice President, Legal and General Counsel Sylvia Fang; The Allied Association for Science Park Industries Chairman Li Chin-Kung; National Yang Ming Chiao Tung University Professor Lin Chih-Chieh; American Institute in Taiwan (AIT) Economic Officer Patrick Boland



