

Digitalization of Corporate Law post the COVID-19 pandemic: The Evolution of Corporate Meetings

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Abstract

This article examines the evolution of corporate meetings (including shareholders' and board meetings) alongside the development of information technology amid the global COVID-19 pandemic, with a focus on general meetings. The development of information and communication technology in the past three decades has greatly improved ways to convene a corporate meeting. It may result in changes to market environment and people's behaviours, eventually causing evolution of legal institutions. Traditionally, corporate meetings have to be convened physically in a face-to-face fashion. Several countries have allowed electronic general meetings to some extent pre-pandemic. The COVID-19 pandemic becomes a catalyst for more popular use of electronic general meetings to reduce public gatherings at least as a temporary measure. Post the pandemic, this article proposes that Taiwan law should open more room for public companies to use electronic methods to convene a general meeting. There are still technical issues to be resolved such as cyber risk, identity verification and real-time voting. But those issues should not be an obstacle for electronic meetings, since many listed companies in Taiwan already allow shareholders to vote electronically in advance via the platform operated by the custodian services. In addition, electronic meetings should improve shareholders participation (especially for individual investors) and promote better shareholders' power to shape the will of a company. Allowing greater use of electronic meetings should also strengthen the function of

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general meetings as a venue for shareholders to convene and discuss before a decision. Instead of allowing companies to use electronic meetings as an exclusive way to convene a general meeting, regulators can consider hybrid meetings to accommodate the benefits of both physical and electronic meetings while developing better technological solutions for strong verification and real-time voting systems. In the end, the market will decide which method is most efficient and determine the force of institutional evolution in corporate law triggered by technological development facilitated by the global pandemic.

Keywords: Corporate law, general meeting, board meeting, remote meeting, virtual meeting, electronic voting, shareholder rights, information technology