



CITY OF LONDON
Investment Management Company Limited

April 21, 2017

Professor William C. Kirby, Chairman
The Taiwan Fund, Inc.
Morgan Hall 167
Harvard Business School
Boston, MA 02163

RE: The Taiwan Fund, Inc.

Dear Professor Kirby

City of London Investment Management Company Limited (“City of London”), on behalf of its clients, is a long-term investor in The Taiwan Fund, Inc. (“the Fund”). We are prompted to write today by the Fund’s recent announcement of the results of the Annual Stockholders Meeting.

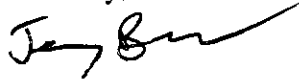
We were pleased to see that stockholders voted against Mr. Holland who has served on the Board since 2007 and thus has reached the point where City of London’s Statement on Corporate Governance and Voting Policy for Closed-End Funds provides guidance that a Director should stand down in order to provide for Board refreshment. We note that the Fund’s average discount was wider than 10% over the relevant one-year measurement period which is another factor that caused us to vote against Mr. Holland.

We do not necessarily agree with the Fund’s stated position that Mr. Holland should remain on the Board because of his designation as Audit Committee Financial Expert. Our view is that there may have been another Director qualified to assume that designation, and that anyway there should have been the opportunity to explain a temporary vacancy. In any event, we certainly would follow through with prior public statements and submit a proposal to terminate the Fund’s investment management agreement before the November 6th deadline if Mr. Holland remains on the Board for an extended period. The practice of ‘holding over’ a Director who has not received the majority of votes cast by stockholders is unacceptable as it goes directly against stockholders’ express wishes.

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City of London will continue to monitor the Fund's investment performance, discount, fees and overall corporate governance in advance of next year's Annual Stockholders Meeting. As with all of the relevant securities where City of London has an outstanding 13D filing, potential actions include voting against incumbent Boards, or proposing termination of the investment management agreement before the November 6th deadline for submission of a stockholder proposal.

Sincerely,



Jeremy Bannister
Director, Corporate Governance