

The Diversification and Independence of the Board of Directors

(1) The Diversification of the Board of Directors: According to Article 20 of the “Corporate Governance Best Practice Principles”, and Article 3 of the “Rules and Procedures of the Director Election” stipulated by the Company stipulate that the composition of the board of directors should be diversified and consider own operation, business mode and development needs in order to formulate an appropriate diversity policy. It is advisable to consider gender, age, nationality and culture, etc., and the members shall generally have the ability to implement the knowledge, skills and accomplishments necessary for the duty. Current board members' backgrounds have varied in different industry fields involving banking, finance accounting, connector, business management, stamping tool, and marketing, etc., contributed to diversity in board composition.

Diversity Policy	Goal	Achievement
Director selection criteria	Based on the results of the performance evaluation, it serves as a reference standard of the selection of directors.	When re-election of the 10 <sup>th</sup> board of directors in 2021, the performance evaluation results of the board of directors in 2020 were used as a reference for director selection. In line with the goal.
Professional qualification and experience required by the board of directors	Board members should possess the knowledge, skills and competencies which are required for their duty. In order to achieve the ideal goals of corporate governance, the board of directors as a whole should have the following capabilities: a. Operational Judgment Abilities b. Accounting and Financial Analysis Abilities c. Business Management Abilities d. Crisis Handling Abilities e. Industry Knowledge f. International Market Outlook g. Leadership Abilities h. Decision-making Abilities	Refer to appendix i: General competencies of the Board of Directors. In line with the goal.
Composition or ratio of gender, age, nationality and culture	The target for the proportion of female directors is more than one-third (inclusive).	After the re-election of the 10 <sup>th</sup> board of directors in 2021, 1 of the 10 elected directors was a female director, and the proportion of female directors was 10%. It is expected that this goal will be achieved when the 12 <sup>th</sup> board of directors is re-elected in 2027. Executing.
	The number of directors who are also managers of the company should not exceed one-third of the number of directors.	After the re-election of the 10 <sup>th</sup> board of directors in 2021, 3 out of 10 elected directors also served as company managers, accounting for 30%. Refer to appendix (1) Directors and Supervisors Information. In line with the goal.

Diversity Policy	Goal	Achievement
	Set up three (inclusive) or more independent directors, and shall not be less than one-third of the number of directors.	After the re-election of the 10 <sup>th</sup> board of directors in 2021, 3 independent directors were included in the 10 elected directors, and the proportion of independent directors was 30%. It is expected that this goal will be achieved when the 11 <sup>th</sup> Board of Directors election is held in 2024. Executing.
	Half of independent directors' contiguous terms should not over be 3 terms.	Plan to achieve the goal when the re-election of 11 <sup>th</sup> board of directors in 2024. Executing.
	Independent directors shall not serve as directors (including independent directors) or supervisors of more than five listed OTC companies at the same time.	Refer to appendix (1) Directors and Supervisors Information. In line with the goal.
	Independent directors shall not serve more than three other public companies at the same time.	Refer to iv. Professional knowledge and independence of directors and supervisors. In line with the goal.
	Directors shall have more than half of the seats, and shall not have spouses or relatives within the second degree of relatives.	After the re-election of the 10 <sup>th</sup> board of directors in 2021, none of the 10 elected directors had a spouse or a relationship within the second degree of relatives. In line with the goal.

Note 1 : Distribution table of abilities possessed by the entire board of directors

Title	Gen-der	Name	Operat-ing	Finance	Manage-ment	crisis manage-ment	Industry know-ledge	Int'l market view	Leader-ship	Bank-ing
Director	M	Yu Wan Yi	V		V	V	V	V	V	
	M	Fang Min Tsung	V		V	V	V	V	V	
	M	Chang Yi Wei	V		V	V	V	V	V	
	M	Chen Yuan Chen	V		V	V	V	V	V	
	M	Tung Jen Ten	V		V	V			V	
	M	Chang Yao Yong	V	V				V		V
	F	Lin Yueh Hsia	V	V	V					V
I	M	Pu Tsun	V	V	V					V

	Ching								
M	Chiang Chih Fung	V	V					V	V
M	Lu Lien Wan	V		V		V		V	

(2) Independence of Board of Directors: After the re-election of the 10th board of directors in 2021, 3 of the 10 elected directors were independent directors, and the proportion of independent directors was 30%. After checking the personnel system of the Company and affiliated companies, and checking the actual holding status of the Company's stock with the Company's stock affairs agency, that there are no circumstances happened according to "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies", the various regulations of Article 3 Paragraph 1 and "Securities and Exchange Act.", the various regulations of Article 26-3 Paragraph 3 and Paragraph 4, conformed to the independence.