

Board Diversity and Independence

(1) Board Diversity :

According to Article 20 of the company's "Corporate Governance Best Practice Principles," the composition of the board should consider diversity. The board should establish an appropriate diversity policy based on the company's operations, business model, and development needs. Board members should possess the knowledge, skills, and competencies necessary to fulfill their duties. To achieve the ideal objectives of corporate governance, the overall board should have the following capabilities :

- 一、Operational judgment。
- 二、Accounting and financial analysis。
- 三、Management skills。
- 四、Crisis management。
- 五、Industry knowledge。
- 六、International market perspective。
- 七、leadership。
- 八、Decision-making abilities。

The current board is composed of seven directors, including four independent directors, making the independent director proportion 57%. The independent directors have not served for more than three terms. All directors are of local nationality, and two directors are also employees of the company. Regarding the age distribution, two directors are over 61, four are over 51, and one is over 41. In terms of professional knowledge and skills, the company aims for board members to possess diverse expertise in finance or accounting, law, management, and industry knowledge. The current composition of the board already includes these necessary qualifications, with members having rich and relevant experience and a deep understanding of the company's financial and operational status.

Board Management Objectives :

To fulfill the company's diversity policy requirements in terms of background, experience, and professional expertise, the Board of Directors shall comprise at least 50% of directors

with industry experience, at least one director with expertise in finance or accounting, at least one director with experience in business management, and at least one director with legal expertise in corporate law. Additionally, the Board shall include at least one female director. Looking forward, the company aims to further enhance board diversity by including members with professional knowledge and experience in areas such as sustainability, occupational health and safety, labor rights, and legal affairs, thereby strengthening diversity and the Board's oversight role in response to international sustainability trends. Furthermore, to ensure the independence of independent directors, the company aims to limit the tenure of each independent director to no more than three terms.

Implementation of Board Diversity :

Among the current seven directors, six (accounting for 85%) possess relevant industry experience, including Director Chen Shen-Bao, Director Huang Te-Hsun, Director Chen Tseng-Wen, Independent Director Wang Wei-Chen, Independent Director Chang Ming-Huang, and Independent Director Yu Ya-Ching. Three directors have professional expertise and experience in finance and accounting, namely Independent Directors Wang Wei-Chen, Lin Jiang-Liang, and Chang Ming-Huang. Two directors have legal expertise and experience, including Independent Directors Chang Ming-Huang and Yu Ya-Ching. All seven directors have experience in business management. Additionally, the tenure of the independent directors does not exceed three terms. In this term, one female independent director has been appointed, thereby achieving the company's concrete board diversity objectives.

(2)Board Independence :

The four independent directors of the company have served for less than three years, with no independent director serving more than three consecutive terms. There are no spousal or second-degree relative relationships between any of the directors (including independent directors). Additionally, independent directors do not serve as directors, supervisors, or employees of any companies with specific relationships to the company.