

Implementation of the diversification policy for the composition of its Board of Directors

As per Article 19, paragraph 3 of the Company's Corporate Governance Best Practice Principles, members of the Board as a whole shall possess the knowledge, skills, and competencies necessary to perform their duties as well as the core competencies that the Board as a whole shall possess. There are six Board members (seven originally; independent director Chin-Te Hsu passed away on August 14, 2021), including four natural-person directors and two independent directors. The members are from diverse backgrounds with different core competencies, whom are supported by independent directors from different professional backgrounds. They can effectively undertake the responsibilities of creating a good Board of Directors governance system to supervise, appoint, and guide the Company's management to reinforce its function. Moreover, they are also in charge of the Company's economic, social, and environmental aspects of the business, and are committed to maximizing the rights of our stakeholders.

(1) The diversity of Board members in terms of their education and experience, professional fields, and relevant backgrounds:

Director	Position	Gender	Age (Note 2)	Term of service (Independent Director)	Key diversified core competence								
					The ability to make judgments about operations	Accountin g and financial analysis ability	Legal profession	Business managem ent ability	Crisis contro l ability	Industry knowledge	An international market perspective	Ability to lead	Decision- making ability
Hwa-Tse Liang Chairman	Chairman	M	60	NA	V			V	V	V	V	V	V
Inru Kuo	Director	F	59	NA	V	V		V	V	V	V	V	V
Chien-Hua Teng	Director	M	54	NA	V			V	V	V	V	V	V
Yann-Chiu Wang	Director	M	54	NA	V			V	V	V	V	V	V
Jr-Wen Huang	Independ ent Director	M	52	10 years	V	V		V	V	V	V	V	V



Chia -Jiun Cherng	Independent Director	M	67	1year	V			V	V	V	V	V	V
Chin-Teh Hsu (Note1)	Independent Director	M	-	3years	V		V	V	V	V	V	V	V

Note 1: Independent director Chin-Teh Hsu, passed away on August 14, 2021.

Note 2: The board members' age is based on the year in which the annual report is released (2021).

(2) Board diversity policy, specific management objectives, and implementation:

The Corporate Governance Best Practice Principles stipulate that the composition of the Board should be based on the principle of diversity, regardless of gender, race, and nationality. The directors should possess the knowledge, skills, and qualities necessary to perform their duties to achieve the ideal goal of corporate governance. In addition, the Board as a whole should include: 1. Business judgment ability; 2. Accounting and financial analysis ability; 3. Business management ability; 4. Crisis management ability; 5. Industry knowledge; 6. An international market perspective; 7. Ability to lead; 8. Decision-making ability; and 9. Other diverse capabilities. Of the six Board members, there is one director who is also an employee of the Company, accounting for 16% of all directors; one director who is also an employee of the Company's subsidiary, accounting for 16%; a female director, accounting for 16%; two independent directors, accounting for 33%; one independent director with a term of fewer than three years; one independent director with a term of nine years or more; five directors are 50–60 years old; one is 61–70 years old. Our independent directors have all met the regulations of the Securities and Futures Commission, and the Ministry of Finance for independent directors. For the relevant information on each director's education, gender, professional qualifications, work experience, and diversity, please refer to Director's Information (1) in the corporate governance report.

The Company's independent directors possess expertise in finance, information technology, and telecoms services:

1. Independent director Jr-Wen Huang serves as the convener of the Audit Committee, specializing in finance, graduated from the graduate institute of Financial Management, and has worked at China Development Industrial Bank and at IBF Venture Capital Co., Ltd. for more than 20 years. He has extensive practical experience in industry research, banks' credit investigation and credit ratings, investment evaluation, post-investment management, and strategic M&A evaluation in business organizations.

2. Independent director Chia-Jiun Cherng, specializing in information technology and telecoms services, has extensive experience in the Company's relevant industries and professional capabilities in strategic planning, and provides forward-looking insights into and analysis of industry development as well as provides strategic guidance on the Company's new product development and new market entry planning.

3. Independent director Chin-Te Hsu specializes in legal affairs.





The Company pays attention to gender equality in the composition of the Board and seeks to maintain its independence; has set two Board diversity management goals: 1. At least one female director on the Board; and 2. the number of directors who are also employees of the Company, its parent, subsidiaries or sister companies is less than one third of the number of directors, that is, less than two people. We achieved both goals in 2021 and will continue to maintain Board diversity in the future.

