

Implementation of Corporate Governance  
Operations of the Board of Directors

The Company convened a total of four Board of Directors meetings in 2018. The attendance was as follows:

2019/4/22

Title	Name	Attendance in Person	Attendance by Proxy	Rate of Attendance in Person (%)	Note
Chairman	En-Chou Lin	4	0	100%	Re-elected
Vice Chairman	En-Ping Lin	4	0	100%	Re-elected
Director	Shih-Ching Chen	4	0	100%	Re-elected
Director	Yao-Ying Lin	3	0	75%	Re-elected
Director	Po-Jen Liang	3	0	75%	Re-elected
Director	Ming-Yuan Hsieh	3	0	75%	Re-elected
Director	Tsui-Ying Chiang	4	0	100%	Re-elected
Independent Director	Shan-Chieh Yen	4	0	100%	Newly appointed
Independent Director	Ming-Hua Peng	4	0	100%	Newly appointed

Annotations:

- (1) Items included in Article 14-3 of the Securities and Exchange Act and other dissenting or qualified opinions by other Independent Directors in record or the resolutions of the Board of Directors in a written statement: The resolutions of board meetings in 2018 contained no items specified in Article 14-3 of the Securities and Exchange Act.

(2) Other resolutions of the Board of Directors on which Independent Directors have dissenting or qualified opinions, and that were documented or issued through written statements: None.
- Recusals of Directors due to conflicts of interests: The Directors recused themselves from discussion and voting on their salaries and compensation.
- Measures taken to strengthen the functions of the Board and the implementation status during the current and preceding fiscal year: The Company established the 3rd Compensation Committee on June 8, 2016 to assist the Board of Directors to determine the salaries and compensation of Directors and managerial officers as well as to regularly review the performance of Directors and managerial officers and the Company's compensation policies, systems, standards, and structure.

### Supervisors' participation in Board meetings

A total of 4 Board of Directors meetings were held in the most recent year. The attendance was as follows:

Title	Name	Attendance in Person	Rate of Attendance in Person (%)	Note
Supervisor	Chung-Jen Liang	4	100%	Re-elected
Supervisor	Hui-Fen Chen	2	50%	Re-elected
Supervisor	Hsiao-Pei Su	3	75%	Re-elected

#### Annotations:

##### 1. Composition and responsibilities of Supervisors:

(1) Communication between Supervisors and the Company's employees and shareholders (e.g. communication channels and methods): If Supervisors deem it necessary, they may actively communicate with employees and shareholders of the Company and the Company's employees may also propose opinions or file claims regarding their rights to the Supervisors.

(2) Supervisors' communication with internal auditor manager and CPAs (e.g. communication over the Company's financial and business status, the methods and results, etc.): After the Company's internal auditor manager completes the audit report, the Supervisors are requested to review the contents of the Report. The Company's certifying CPAs may explain the results of the audit of the financial report or internal control to the Directors and Supervisors in accordance with regulations and propose necessary recommendations. If the Supervisors have any questions, they may contact the CPAs at any time.

##### 2. Opinions stated by a Supervisor while attending Board of Directors' meetings, the date, session, contents of the case discussed, resolution of the meeting, as well as the Company's disposition of opinions stated by the Supervisor: None.

Operations of the audit committee: Not applicable as the Company does not have an audit committee.

## Diversity of the Board of Directors

The Company has established the "Corporate Governance Best Practice Principles" and the Procedures for Elections of Directors and Supervisors to take into consideration diversity of the board members. Diversity in basic qualifications and professional knowledge are established based on the Company's operations, business model, and development requirements. The Company considers Directors' professional background and diversity when appointing Directors. The Company has 9 Directors including 2 Independent Directors and 1 female Director. Both Independent Directors have served terms for less than 3 years. The board members have professional backgrounds in business management, electrical engineering, finance, mathematics, and various professional skills and industry experience. The Company has fulfilled the requirements for diversity and complementary skill sets of board members established in the Company's "Corporate Governance Best Practice Principles". The Company values gender equality, and targets to have more than 10% of female Directors, and this target was achieved in this term of the Board of Directors. The implementation status of Board member diversity is provided below:

Name	Gender	Industry knowledge and skills		Age		
		Industry related	Business management, law, finance	55 and below	55-65	65 and above
En-Chou Lin	Male	v	v		v	
En-Ping Lin	Male	v	v		v	
Shih-Ching Chen	Male	v	v			v
Yao-Ying Lin	Male	v	v			v
Ming-Yuan Hsieh	Male		v	v		
Po-Jen Liang	Male	v	v			v
Tsui-Ying Chiang	Female		v			v
Shan-Chieh Yen	Male	v			v	
Ming-Hua Peng	Male	v			v	