

5. Diversity and Independence of the Board of Directors

(1) Diversity of the Board of Directors:

According to Article 20 of the Company's "Corporate Governance Best Practice Principles," the composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated. All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- A、Ability to make operational judgments.
- B、Ability to perform accounting and financial analysis.
- C、Ability to conduct management administration.
- D、Ability to conduct crisis management.
- E、Knowledge of the industry.
- F、An international market perspective.
- G、Ability to lead.
- H、Ability to make policy decisions.

Below are the Company's board diversity policy and its implementation:

Title	name	Nationality	ROC	Seniority of being an independent director	Information Technology		Risk management		An international market perspective		Financial and accounting		Knowledge of the industry		Management administration		Leadership		Percentage of all directors	Proportion of independent directors to all directors	Age distribution
					Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male			
Chairman	Chen, Kuo-Hung	ROC	Male 61~70	More than 9 years															88.9%	33.3%	55.6%
Vice Chairman	Chen, Chun-Ting			3~9 years																	
Director	Chen, Hsin-Yi			Under 3 years																	
Director	Wu, Li-Shan			More than 9 years	V	V	V	V	V	V	V	V	V	V	V	V	V	V			
Director	Hung, Ming-Chi			3~9 years	V	V	V	V	V	V	V	V	V	V	V	V	V	V			
Director	Chen, Liang-Hsuan			Under 3 years	V	V	V	V	V	V	V	V	V	V	V	V	V	V			
Independent director	Cheng, Tien-Tsung			More than 9 years	V	V	V	V	V	V	V	V	V	V	V	V	V	V			
Independent director	Li, Ta-Ching			3~9 years	V	V	V	V	V	V	V	V	V	V	V	V	V	V			
Independent director	Tseng, Ming-Jen			Under 3 years	V	V	V	V	V	V	V	V	V	V	V	V	V	V			

The Company's concrete management goals of Board of Directors diversity, and the achievements thereof, are stated as follows: :

Expected goals:

1. Independent directors account for more than one-third of all directors.
2. More than half of the independent directors shall not serve for more than 3 terms, and each independent director concurrently serves as an independent director of no more than 3 other companies.
3. Gradually increase the number of female directors by 1 to 3 seats.
4. The number of directors who also serve as the Company's managers should not exceed one-third of the directors.

Current status of implementation:

1. Currently, the three independent directors seats account for three-ninths of the total, which is in line with the Company's target.
2. At present, more than half of independent directors have served less than 3 terms, and each independent director has not concurrently served as an independent director of other companies for more than 3 companies, which is in line with the Company's goals.
3. At present, the number of female director is one seat, which is in line with the Company's goals.

If the number of directors of the same gender on the board of directors of the company is less than one-third, state the reasons and the measures to be taken to improve the gender diversity of the board of directors:

1. Reason: There is only one female director, which complies with relevant laws and regulations, but still does not reach one-third. Due to the characteristics of the industry, it is not easy to find talents in a short period of time.
2. Measures taken: In the future, the Company will seek recommendations from various channels and strive to increase the number of female directors to enhance corporate governance effectiveness and implement the board diversity policy.

(2) Independence of the Board of Directors:

The Company's incumbent Board of Directors is composed of 3 independent directors (33.3%) and 6 non-independent directors (66.7%). The 3 seats of independent directors meet the minimum requirement set forth by the Financial Supervisory Commission Securities and Futures Bureau, and all directors and independent directors comply with the particulars set forth in Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act, which demand that the number of directors who are a spouse or a relative within second degree of kinship of another director not exceed half of the board seats. Currently, only four directors are a relative within second degree of kinship of one another. To sum up, the independence criteria are fully met.