

Discrepancies between the Company's implementation of corporate governance and the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and the reasons for such discrepancies, if any

1. Corporate governance and code of ethics

Evaluation Items	Implementation Status			Discrepancies from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
1. Has the Company set up and disclosed its corporate governance best-practice principles based on the "Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies"?	√		The Board of Directors of the Company has approved the establishment of the "Corporate Governance Best Practice Principles", which has been disclosed on the Company's official website (www.deltaww.com) and MOPS.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
2. The Company's shareholding structure and shareholders' rights				Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(1) Has the Company established internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigations and has implemented the procedures?	√		The Board of Directors of the Company has approved the establishment of the "Corporate Governance Best Practice Principles". In addition, the Company has designated personnel as spokesperson and deputy spokesperson, investor services unit, investor relations unit, and their contact information have been disclosed on the Company's official website, so the shareholders can express their opinions by phone or email. The Company will then process them according to relevant procedures.	
(2) Does the Company have knowledge of its major shareholders and the beneficial owners of those shareholders?	√		The Company acquire the knowledge of its major shareholders through the registers of shareholders on the end of its book closure date and the monthly report of changes in the number of shares held at the last day of the previous month by shareholders who hold more than 10% of the total outstanding shares of the Company. There is no major shareholder that actually controls the Company. The list of the Company's top 10 shareholders is disclosed in the annual report and on the Company's official website (www.deltaww.com).	
(3) Has the Company established and implemented risk management and firewall system between itself and the affiliated companies?	√		The Company has established the "Operating Procedures of Acquisition or Disposal of Assets", the "Operating Procedures of Fund Lending", and the "Operating Procedures of Endorsement and Guarantee" by resolutions of its shareholders' meetings, and the "Rules Governing Financial and Business Matters Between the Company and its Related Parties" by resolution of Board of Directors, and the Company has also has established the "Related Party Transaction Management Procedures" and the "Supervisor and Management in Subsidiaries", etc. in order to build relevant risk controls and firewall mechanisms.	
(4) Has the Company established internal rules against company insiders trading with undisclosed information?	√		The Board of Directors of the Company has approved the "Ethical Corporate Management Best Practice Principles", the "Code of Conduct", and the "Procedures for Handling Material Inside Information" that require the Company's	

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			<p>personnel to recuse themselves from conflicts of interest related to their duties and prohibit them from using or leaking undisclosed information in order to prevent insider trading. As stipulated in its "Corporate Governance Best Practice Principles", the Company prohibits any insider having been informed of the Company's financial position and performance through the financial statements from trading their own shares within the trading window closure period, i.e., 30 days before the announcement of the annual financial statements and 15 days before the announcement of the quarterly financial statements.</p> <p>The Company holds related training courses for current directors, officers and employees at least once a year, and new employees are required to receive orientation training by the HR Division that included a reminder for insiders of the Company who have been informed of the financial position and performance of the financial statements not to trade their own shares within the trading window closure period, i.e., 30 days before the announcement of the annual financial statements and 15 days before the announcement of the quarterly financial statements. The Company holds face-to face and online courses irregularly. In 2024, 26,886 personnel received such training for an aggregate total of 11,993 hours which covered integrity, anti-bribery and corruption, and insider trading prevention, etc.</p>	
<p>3. Composition and responsibilities of the Board of Directors</p> <p>(1) Has the Board of Directors of the Company established a diversity policy with specific management goals and has adequately implemented it?</p>	√		<p>The Board of Directors of the Company has established the "Corporate Governance Best Practice Principles", and the "Rules for Election of Directors" have been approved by resolution of its shareholders' meeting. According to Paragraph 3, Article 20 of the "Corporate Governance Best Practice Principles", the composition of the Board of Directors shall be determined by taking diversity into consideration, such as having different professional backgrounds, working fields or genders, and knowledge, skills and competence needed to perform their duties, including business judgment, accounting and financial analysis ability, administrative management ability, crisis management ability, industry knowledge, international market perspective, leadership, and decision-making ability to fulfill the function of strategic guidance. According to Article 3 of the "Directors Elections Regulations", when selecting the Company's directors, the overall composition of the Board of Directors should be determined by taking</p>	<p>Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies</p>

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(2) Has the Company voluntarily established other functional committees in addition to the Compensation Committee and the Audit Committee?	√		<p>diversity into consideration, such as including different genders, ages, races, nationalities, cultures, professional backgrounds and working fields, etc. Additionally, the number of directors having a spousal relationship or family relationship within the second degree of kinship with any other director shall be less than half of the total number of directors. Regarding the diversity of the Board of Directors' members, specific management targets and implementation, please refer to the section of "Directors" in the 2024 Annual Report.</p> <p>1. On February 26, 2025, the Board of Directors of the Company approved the establishment of functional committees, the Global ESG Committee, which is composed of Chairman and CEO, Vice-Chairman, President and COO, CBO, a non-executive director, Mr. Yancey Hai, and an independent director, Ms. Doris Hsu. All committee members possess expertise and capabilities in corporate sustainability. They collectively participate in and oversee the formulation and implementation of the Company's sustainability strategy to ensure that environmental protection, social responsibility, and corporate governance (ESG) align with international benchmarks, enhancing sustainable competitiveness. Please refer to the "Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies" in the 2024 Annual Report for its functions.</p> <p>2. On October 31, 2023, the Audit Committee and the Board of Directors of the Company approved the establishment of the Risk Committee that is composed of all its independent directors and approved the combination of the Audit Committee and the Risk Committee to be the Audit and Risk Committee.</p> <p>3. The Company has set up the Strategic Steering Committee for analyzing and discussing major issues related to company strategies, operations, organization, and providing advice and suggestions to the Board of Directors as references for decision-making and implementing.</p>	
(3) Has the Company established a standard to evaluate the performance of the Board, implemented such evaluation annually, submitted the performance evaluation results to the Board of Directors and used them as a	√		<p>The Board of Directors of the Company has established the "Rules of Performance Evaluation of the Board of Directors", which stipulates that the internal evaluation of the performance of the Board, individual Board members, the Audit and Risk Committee, and the Compensation Committee shall be conducted at least once a year. Besides, an external performance evaluation of the Board</p>	

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<p>reference when determining the remuneration of individual directors and nominations for election?</p> <p>(4) Does the Company regularly evaluate the independence of the CPAs?</p>		√	<p>shall be conducted by external independent professional institutions or a panel of external experts and scholars at least once every three years. The Company submits the report containing the criteria for evaluating and scoring, record and submit the evaluation results to the Board of Directors, and use the results as reference for determining the individual directors' compensation and nomination for the following terms. For the results of the latest evaluation (implemented in 2025 with the evaluation period from January 1, 2024, to December 31, 2024), please refer to the section of "Board of Directors" in the 2024 Annual Report.</p> <p>The Company's "Corporate Governance Best Practice Principles" requires that regular (at least once a year) evaluations on the independence and competency of the CPA engaged by the Company be conducted after consulting the Audit Quality Indicators (AQIs). Meanwhile, the conclusion shall be submitted to the Audit and Risk Committee and the Board of Directors for approval.</p> <p>In the last two years, the Audit Quality Indicators (AQIs) had been referred by the Company to evaluate the competency and independence of the CPAs, and the assessment results had been reviewed and approved by the Audit and Risk Committee and the Board of Directors on February 29, 2024, and February 26, 2025 respectively. The results indicated that all CPAs met the Company's competency and independence standards, to be qualified being engaged by the Company, and the Company also have obtained the declaration of independence issued by the CPAs. The criteria for CPA independence and list of major items for competency evaluation are detailed in Note 1.</p>	
<p>4. Has the Company appointed an appropriate number of competent corporate governance personnel and the Chief Corporate Governance Officer responsible for corporate governance affairs (including but not limited to providing information for directors and supervisors to discharge their duties, assisting directors and supervisors in compliance, handling work related to meetings of the Board of Directors and shareholders' meetings, and producing the minutes of Board meetings and shareholders' meetings)?</p>		√	<p>The Company appointed the director of its finance department to concurrently serve as the Chief Corporate Governance Officer. The Chief Corporate Governance Officer has served in a managerial position that handled stock affairs and corporate governance matters in a public company for over 3 years.</p> <p>The Chief Corporate Governance Officer and the Investor Services unit are responsible for dealing with the following matters:</p> <ol style="list-style-type: none"> 1. Handling matters relating to board meetings and shareholders meeting according to laws; 2. Producing minutes of board meetings and shareholders meetings; 3. Assisting in on boarding and continuous development of 	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

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	Yes	No	Summary	
			<p>directors;</p> <p>4. Furnishing information required for business execution by directors;</p> <p>5. Assisting directors with legal compliance;</p> <p>6. Reporting the results of whether the qualifications of independent directors comply with relevant laws and regulations when nominating and electing directors and during their term of office;</p> <p>7. Conducting matters related to changes of directors;</p> <p>8. Other matters set out in the Articles of Incorporation or contract.</p> <p>The Company's Chief Corporate Governance Officer has performed the assigned tasks and participated 12 hours of training in 2024, and the detail of her training sessions are shown in Note 2.</p>	
5. Has the Company established communication channels, created a dedicated section on its corporate website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers, etc.), and appropriately handled all of the CSR issues they care about?	√		<p>Delta values communication with stakeholders. We regularly implement the procedure of materiality analysis, confirm and adjust key sustainable issues, demonstrate ESG influence and respond to stakeholder expectations and suggestions. Delta has defined 6 major stakeholders including employees, investors, media, customers, suppliers, and communities (research institutes, NPOs, communities, and other stakeholders). Delta adopts diverse channels (e.g. annual ESG Report, online questionnaire and csr@deltaww.com, an E-mail address managed by dedicated personnel, etc.) and sets up a dedicated webpage of ESG (https://esg.deltaww.com) to communicate with its stakeholders and also identify key issues of concern to stakeholders and Delta through the results of the dual materiality questionnaire, and both long-term goals and internal expert feedback are considered in parallel, and take the necessary actions to enhance the content of our information disclosures. The results of communication with stakeholders for the fiscal year of 2024 were reported to the Board of Directors on February 26, 2025. For stakeholder concerns and communication, please also refer to the 2024 Delta ESG Report.</p>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
6. Has the Company engaged a professional shareholder service agency to deal with shareholder affairs?	√		The Company has engaged CTBC Bank Co., Ltd. to deal with shareholder affairs.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies
7. Information Disclosure (1) Does the Company establish a corporate website to disclose both financial standings and the status of	√		The Company has built a public website (www.deltaww.com) to disclose both financial standings and the status of corporate governance regularly.	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies

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<p>corporate governance?</p> <p>(2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences, etc.)?</p> <p>(3) Does the Company announce and report annual financial statements each fiscal year, and announce and report Q1, Q2 and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>	√		<p>The Company has built an English website (www.deltaww.com). The Corp. Communication, Investor Services and Investor Relations are responsible for collecting and disclosing relevant information in the section of "Investors" in accordance with relevant rules. Meanwhile, the Company created a spokesperson system, which is responsible for public communication. The entire process of the investors' conferences of the Company is streamed live, and relevant information and audio/video files are disclosed on the Company's website.</p> <p>The Company announces and reports the annual financial statements within two months after the end of each fiscal year. Meanwhile, it announces and reports its Q1, Q2 and Q3 financial statements as well as monthly operation results before the prescribed deadlines required by the laws and regulations.</p>	Companies
<p>8. Is there any other information to facilitate a better understanding of the Company's corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, training records of directors and supervisors, implementation of risk management policies and risk evaluation measures, implementation of customer relations policies and the purchase of insurance for directors and supervisors, etc.)?</p>	√		<p>1. Regarding information on employee rights and interests and employee care, please refer to Chapter 3 "ESG" and 5.5 "Labor Relations" in Chapter 5 "Overview of Business Operations" in the 2024 Annual Report.</p> <p>2. Regarding information on investor relations, supplier relations and rights of stakeholders, please refer to Chapter 3 "ESG" in the 2024 Annual Report.</p> <p>3. Regarding training records of directors, the Chief Finance Officer and Principal Accounting Officer, the Chief Internal Auditor, implementation of risk management policies and risk evaluation measures, implementation of customer policies, the purchase of liability insurance for directors and supervisors and intellectual property management plan, please refer to the supplementary information below.</p>	Compliant with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
<p>9. With respect to the results of the annual Corporate Governance Evaluation most recently issued by the Corporate Governance Center of Taiwan Stock Exchange, please describe the improvements and provide priority and measures to enhance those matters that have not yet been improved.</p> <p>The results of the 11th term (2024) Corporate Governance Evaluation have not been disclosed as of the date of publication of the 2024 Annual Report and the Company ranked among top 5% in the 10th term (2023) of Corporate Governance Evaluation, and explanation for improved items and prioritized measures are listed below:</p> <p>(1) The 2024 annual general shareholders' meeting held before the end of May and was live-steamed, which helped increase shareholder participation and ensured opportunities for shareholders to exercise their rights.</p> <p>(2) After the re-election of the Board of Directors at the 2024 Annual General Shareholders' Meeting, the seat of independent directors exceeds one-third of the total directors, and the proportion of female directors reaches one-third of board seats.</p> <p>(3) The 2023 Delta ESG Report was approved by the Board of Directors on July 31, 2024, and was released on August 28, 2024.</p> <p>(4) The Company introduced and achieved the Grade A certification of the Taiwan Intellectual Property Management Systems (TIPS), which is effective until December 31, 2025.</p>				

- (5) The Company established the functional committees under the Board of Directors, the Global ESG Committee, and appointed a non-executive director and an independent director to serve as members of the Committee.
- (6) The Company will continue to assess and consider feasible solutions to improve upon the items that did not receive points.

Note 1: Items for evaluation of the CPA's independence and competency for last two years are shown below.

Evaluation Items	Evaluation Result	Compliant with Competency and Independence?
Scope A: Profession		
1. Do the senior auditors have sufficient audit experience to carry out the audit work?	Yes	Yes
2. Do the CPA and the senior auditors receive sufficient training every year to continuously acquire professional knowledge and skills?	Yes	Yes
3. Does the firm maintain enough senior human resources?	Yes	Yes
4. Does the firm have enough professionals to support the audit team?	Yes	Yes
Scope B: Quality Control		
1. Is the CPA's workload too heavy?	No	Yes
2. Is the input of audit team members in each audit stage appropriate?	Yes	Yes
3. Does the EQCR CPA devote enough time to review audit cases?	Yes	Yes
4. Does the firm have sufficient manpower on quality control to support the audit team?	Yes	Yes
Scope C: Independence		
1. Does the CPA have a direct or significant indirect relation with the Company in financial interests?	No	Yes
2. Does the CPA have any financing or guarantee with the Company or its directors?	No	Yes
3. Does the CPA have a close business relationship or potential employment relationship with the Company?	No	Yes
4. Does the CPA or members of the audit team serve as the Company's director, supervisor, managerial officer or occupied a key position with significant influence on the auditing process during the audit period?	No	Yes
5. Does the CPA provide non-audit service which could impact the auditing process for the Company?	No	Yes
6. Does the CPA act as a broker for the shares or other securities issued by the Company?	No	Yes
7. Does the CPA act as the Company's defense attorney or represent the Company to negotiate with any third party over any dispute?	No	Yes
8. Does the CPA have kinship with the Company's directors, supervisors, managerial officers or any post with significantly influences on the auditing work?	No	Yes
Scope D: Monitor		
1. Are the accounting firm's quality control and audit cases implemented in accordance with relevant laws and regulations?	Yes	Yes
Scope E: Creativity		
1. In order to improve audit efficiency and ensure audit quality, does the accounting firm have innovation capabilities, specific plans and active implementation?	Yes	Yes

Note 2: Training sessions attended by the Chief Corporate Governance Officer in 2024 are shown below:

Institution of Training	Name of the Training Session	Period of Training		Hours of Training
		Start	End	
Accounting Research and Development Foundation	The Latest ESG Sustainability Policy Regulations Related to "Annual Report Compilation" and the Impact of Net-Zero Carbon Emissions on Financial Reports	2024/04/12	2024/04/12	6
Accounting Research and Development Foundation	The Latest Regulations on "Annual Report/Sustainability Information/Financial Report Compilation" and Practice of Internal Control Management	2024/12/31	2024/12/31	6

2. Continuing education/training of directors

Title	Name	Date of Training	Name of the Training Session	Hours of Training
Chairman	Ping Cheng	2024/09/20	Promotion Conference on Preventing Insider Trading for the Year 2024	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Vice-Chairman	Mark Ko	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Director	Bruce CH Cheng	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Director	Yancey Hai	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Director	Simon Chang	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Director	Victor Cheng	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Director	Shan-Shan Guo	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Independent Director	Ji-Ren Lee	2024/04/30	Corporate Strategy	3.0
Independent Director	Audrey Tseng	2024/04/30	Corporate Strategy	3.0
		2024/09/06	Promotion Conference on Preventing Insider Trading for the Year 2024	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Independent Director	Shyue-Ching Lu	2024/04/30	Corporate Strategy	3.0
		2024/05/03	Global Economic Trends, Risk Indicators, and Response Strategies for 2024	3.0
		2024/08/02	Applications and Challenges of Generative AI: Insights from ChatGPT	3.0
		2024/10/09	Carbon Rights Trading Mechanism and Carbon Management Application	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Independent Director	Jack J. T. Huang	2024/04/30	Corporate Strategy	3.0
		2024/05/09	Create Sustainable Performance Indicators and Rewards	3.0
		2024/08/13	Connected by Carbon: Discussing Carbon Fees, Carbon Taxes, Carbon Credits, and Carbon Trading	3.0
Independent Director	Rose Tsou	2024/04/30	Corporate Strategy	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0
Independent Director	Doris Hsu	2024/02/19	How Companies Implement Energy Conservation and Carbon Emissions Reduction to Improve Profits	3.0
		2024/03/25	Corporate Governance and Securities Regulations	3.0
		2024/10/29	Global and Taiwan Economic Outlook for 2024	3.0

The training sessions attended by the Company's Chief Finance Officer and Principal Accounting Officer are listed below:

Title	Name	Date of Training	Name of Training Session	Hour of Training
Corporate CFO	Beau Yu	2024/07/09	The Latest ESG Sustainability Policy Regulations Related to "Annual Report Compilation" and the Impact of Net-Zero Carbon Emissions on Financial Reports	6.0
		2024/09/05	How to Use "Robot Process Automation" (RPA) to Improve Internal Control Efficiency	6.0

The training sessions attended by the Chief Internal Auditor are listed below:

Title	Name	Date of Training	Name of Training Session	Hour of Training
Chief Internal Auditor	Louis Lin	2024/10/08	Discussing the New Position of Internal Auditing from Cases - The Intersection of Ethics and Law	6.0
		2024/12/06	New Challenges for Internal Auditors - Analysis of Sustainable Information Disclosure and Management Policies and Related Audit Procedures	6.0

3. The implementation status of risk management policy and risk assessment

The Board of Directors of the Company had approved the establishment of the "Delta Group Risk Management Policy" on July 29, 2020. In addition, with reference to ISO 31000, COSO-ERM, and "Risk Management Best-Practice Principles for Taiwan Stock Exchange and Taipei Exchange listed Companies" promulgated by Taiwan Stock Exchange, the Board of Directors acknowledged a risk report on July 31, 2024, and approved the amendments to the Company's "Group Risk Management Policy", including optimizing the Group's risk organizational structure, clarifying and standardizing the risk management responsibilities of the governance layer as well as the three lines of defense, and confirming the Group's short-to-medium (1~2 years) risks and medium- and long-term (3~5 years) emerging risks, to improve the risk management process. This serves as a reference basis for formulating business strategies, aiming to reasonably ensure the achievement of the Company's strategic objectives. Please refer to 6.6 "Risks during the most recent fiscal year and as they stood on the date of publication of the annual report" in the 2024 Annual Report for the implementation status.

4. The implementation status of consumer policies

Delta delivers products and services of the highest quality, reliability, and security, ensuring the protection of consumer and customer rights while maintaining strict compliance with global regulations and standards. In accordance with the "Consumer Protection Act" and applicable regulations, the Company has implemented a comprehensive quality management framework and remains dedicated to continually improving product safety and customer service. Through the following key initiatives, we ensure the quality and regulatory compliance of our products throughout their entire lifecycle:

(1) Supply Chain Quality Management

Our Quality Assurance Division strictly conducts incoming inspections and supplier management to ensure that all components and raw materials fully comply with applicable product safety and environmental standards. Standardized testing protocols and process controls are implemented throughout the production process to ensure consistent product quality.

(2) Product Testing and Safety Certification

All products undergo functional testing, environmental endurance testing, and reliability verification before leaving the facility. Additionally, safety and compliance testing are conducted by third-party accredited organizations to secure the necessary certifications for various markets.

(3) After-Sales Service and Quality Tracking

Delta provides technical support, maintenance, and upgrade services through a global service network. In the

event of product issues, the Company conducts fault analysis, repairs, and replacements in accordance with the Return Material Authorization (RMA) process to ensure a timely resolution of customer concerns. Additionally, a comprehensive quality monitoring and feedback system has been established to continuously optimize the design and manufacturing of products.

(4) Information Security and Intellectual Property Protection

Delta prioritizes the protection of customer information and confidential data, subjecting all collaborative agreements to non-disclosure agreements (NDAs). Data management protocols, along with strict facility security measures, are implemented to prevent unauthorized access and disclosure of information.

The Company remains committed to enhancing our quality management, technological innovation, and customer support to ensure the reliability, safety, and sustainability of our products, thereby delivering high-standard solutions to the global market.

5. Liability insurance purchased for directors and supervisors of the Company

Since January 1, 2005, the Company has been providing all directors and supervisors with liability insurance. The summary of the liability insurance policies purchased in 2024 and 2025 as of the date of publication of the 2024 Annual Report, the following are listed below:

Insured Individuals	Insurance Company	Insured amount	Insured Period
Directors, Supervisors and Managers	(1) Chubb Insurance Company of North America, Taiwan Branch (2) Fubon Insurance Co., Ltd. (3) Shinkong Insurance Co., Ltd. (4) MSIG Mingtai Insurance Company, Limited. (5) Cathay Century Insurance Co., Ltd.	US\$30,000,000	From: January 1, 2024 To: June 30, 2025

6. Evaluation cycles, evaluation periods, evaluation scopes, evaluation methods and evaluation procedures, etc. for evaluating the performance of the Company's Board of Directors and board members are disclosed as below:

Implementation of Evaluation of the Board of Directors	
Evaluation Cycles	The Company shall conduct an internal board performance evaluation at least once a year and one by an external independent professional institution or a panel of external experts and scholars at least once every three years.
Evaluation Periods	Internal board performance evaluation: From January 1, 2024 to December 31, 2024. External board performance evaluation: From January 1, 2022 to December 31, 2022.
Evaluation Scopes	The scope of the internal evaluation includes the board as a whole, individual directors, the Audit and Risk Committee and the Compensation committee. The scope of the evaluation by an external independent professional institution includes the board as a whole (exclusive of functional committees, such as the Audit and Risk Committee and the Compensation committee).
Evaluation Methods	Internal evaluation of the board, self-evaluation by each board member, peer evaluation, and evaluation by engaging external professional institutions, experts, or other appropriate methods.
Evaluation Procedures	A. The criteria for evaluating the performance of the Company's Board of Directors includes the following five aspects: <ol style="list-style-type: none"> Participation in matters related to duties of directors and results of implementation; Improvement in the quality of decision making by the Board of Directors; Composition and structure of the Board of Directors; Election of the directors and their continuing professional education; and Internal control. B. The criteria for evaluating the performance of the board members includes the following six aspects: <ol style="list-style-type: none"> Understanding of the Company's goals and missions; Recognition of directors' duties; Participation and contribution to the Board of Directors;

Implementation of evaluation of the Board of Directors

<p>Evaluation Procedures</p>	<ol style="list-style-type: none"> 4. Management of internal relationships and communication; 5. Professionalism and continuing professional education; and 6. Internal control. <p>C. The criteria for evaluating the performance of the Audit and Risk Committee includes the following five aspects:</p> <ol style="list-style-type: none"> 1. Participation and Contribution to the Audit and Risk Committee; 2. Recognition of the duties of the Audit and Risk Committee; 3. Improvement in the quality of decisions made by the Audit and Risk Committee; 4. Composition of the Audit and Risk Committee, and election and appointment of committee members; and 5. Internal control. <p>D. The criteria for evaluating the performance of the Compensation Committee includes the following four aspects:</p> <ol style="list-style-type: none"> 1. Participation and Contribution to the Compensation Committee; 2. Recognition of the duties of the Compensation Committee; 3. Improvement in the quality of decisions making by the Compensation Committee; and Composition of the Compensation Committee, and election and appointment of committee members.
<p>Evaluation Results (Internal)</p>	<p>The performance evaluation of the Company's Board of Directors including functional committees for the year of 2024 was conducted by the Investor Services and HR division using internal questionnaires and the evaluation period was from January 1, 2024 to December 31, 2024, and the results were submitted to the Board of Directors for discussion and improvement on February 26, 2025.</p> <p>The evaluation results:</p> <p>A. The overall average score of the self-evaluation on the performance of the Board of Directors was 4.90 out of 5 and the evaluation items of "The board's understanding of the Company and the industry" and "The board supervises the Company's various risks" got a lower score.</p> <p>B. The overall average score of the self-evaluation on the performance of the board members was 4.91 out of 5 and the aspect of "Management and communication in internal relationships" requires improvement.</p> <p>C. The overall average score of the self-evaluation on the performance of the Audit and Risk Committee was 4.94 out of 5 and the aspect of "Participation and contribution to the Audit and Risk Committee" needs enhancement.</p> <p>D. The overall average score of the self-evaluation on the performance of the Compensation Committee was 4.91 out of 5 and the aspect of "Improvement in the quality of decisions making by the Compensation Committee" requires improvement.</p> <p>The Company's handling of and future improvement:</p> <p>A. Holding multiple meetings on an irregular basis each year, the Company invites board members to participate to enhance their understanding of the Company and the industry, in response to various business developments.</p> <p>B. Considering the establishment of functional committees under the Board of Directors in a timely manner, to assist the board in fully exercising its strategic guidance on governance, risk management, and sustainable operations. The Company also established a Risk Management Implementation Committee, which issues annual risk-related reports to the Audit and Risk Committee and also reports to the Board of Directors each year.</p> <p>C. Increasing communication channels and opportunities between board members and the management team, such as regularly reporting the corporate strategy to the Board of Directors.</p> <p>D. Starting from 2024, the meeting duration has been adjusted to provide the Audit and Risk Committee with sufficient time for discussion, ensuring proposals being fully discussed. For major issues, we communicate with the Chairman of the Audit and Risk Committee in advance to help properly assess risks and develop appropriate response strategies.</p> <p>E. Assisting with pre-communication and information confirmation between management and the Compensation Committee members, and effectively utilizing third-party assistance, such as external consulting firms, to clarify market information, thereby facilitating the committee's decision-making on proposals.</p> <p>The overall performance of the Board of Directors, the Audit and Risk Committee and the Compensation Committee was deemed effective.</p>

Implementation of evaluation of the Board of Directors

Evaluation Results (External)	<p>The performance evaluation of the Company's Board of Directors for the year of 2022 was conducted by the Taiwan Institute of Ethical Business (with the evaluation period from January 1, 2022 to December 31, 2022). The institute assigned 3 executive committee members to perform the evaluation. There was no relationship between the institute including the executive committee members and the Company that might affect its independence, and the Company obtained a declaration of independence from the Institute.</p> <p>The institute conducted the evaluation via acquiring the Company's internal regulations, records, questionnaires, and onsite individual interviews based on the four following dimensions: I. Board professionalism and duties; II. Board effectiveness in decision making; III. The importance attached to internal controls by the Board of Directors; and V. The attitude of the Board of Directors towards sustainable operation. The Taiwan Institute of Ethical Business has issued the report of the Board performance evaluation on February 1, 2023 and reported to the Board of Directors on February 22, 2023.</p> <p>Overall evaluation conclusion:</p> <p>A. The Board members provided diverse opinions from different perspectives and fully discussed them in the meetings of the Board of Directors.</p> <p>B. The Board of Directors established a risk policy and managed the group financial and business operation in a systematic way, so the board members could effectively stay on top of the group's overall information, find out abnormal situation immediately and strengthen the management and oversight of corporate risks.</p> <p>C. The Board of Directors learned about, continued to promote and oversee the development of sustainable management through the Sustainability Committee and the Talent Development Committee.</p> <p>Advice Suggestions for optimization:</p> <p>A. Enhance the communication frequency between the management and directors.</p> <p>B. Keep reviewing the appropriateness of the incentive scheme.</p> <p>C. Change the dedicated unit handling the whistleblowing system and consider setting up an external hotline.</p> <p>The Company's handling and future improvement:</p> <p>A. The Company holds a number of important meetings from time to time and invites the directors to participate in order to increase opportunities for communication between the management and directors.</p> <p>B. The new incentive scheme of the Company has been approved by the Board of Directors before the end of 2022.</p> <p>C. The Company has handled whistleblowing cases according to the nature and impacts of the events so as to increase its independence.</p>
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7. Diversity and Independence of the Board of Directors:

(1) Diversity of the Board of the Directors:

Policy: The Company's "Corporate Governance Best Practice Principles" and "Rules for Election of Directors" stipulate that the nomination and selection of directors shall be determined by taking diversity into consideration, such as having different genders, ages, races, nationalities, cultures, professional backgrounds, working fields, and better having the knowledge, skills, and competence needed to perform their duties, including business judgment, accounting and financial analysis ability, administrative management ability, crisis management ability, industry knowledge, international market perspective, leadership ability, and decision-making ability to fulfill the foundation of strategic guidance.

Goal: The Company aims to enhance the comprehensive knowledge of its highest governing body on economic, environmental, social, and corporate governance issues and keep on improving the ability of risk management of its Board of Directors. We set a goal to organize at least 6 hours of directors' training sessions each year and invite internal or external lecturers to give lectures. Additionally, in response to the Company's development strategy and changes in internal and external environments, the Company continuously seeks out managerial talent and distinguished professionals in the industry. In alignment with the aforementioned guidelines, qualified candidates will be invited to join the Board of Directors to strengthen its balance.

Achievement: In 2024, the Company invited the directors to participate in the internal directors' training sessions on "Corporate Strategy" and "2024 Global and Taiwan Economic Outlook" to improve professional knowledge and to understand changes and risks in the global economic environment for directors. Additionally, after the re-election at the Company's annual general shareholders' meeting on May 30, 2024, the proportion of female directors has hold one-third of board seats. Furthermore, the newly elected independent director, Ms. Doris Hsu, possesses expertise in computer science and over 30 years of experience in the semiconductor industry, bringing different perspectives and thinking to the Company. The 20th term of the Board of Directors is made up of 12 directors with different genders. The percentage of male directors (including independent directors) is 67% (75% in 2023), and the percentage of female directors (including independent directors) is 33% (25% in 2023). All directors (including independent directors) cover different age groups. The percentage of the age between 50 ~ 59 years old (including independent directors) is 17% (17% in 2023), the percentage of the age between 60 ~ 69 years old (including independent directors) is 42% (42% in 2023), the percentage of the age between 70 ~ 79 years old (including independent directors) is 33% (33% in 2023), the percentage of the age between 80 ~ 89 years old (including independent directors) is 8% (8% in 2023). All directors (including independent directors) have professional backgrounds and work experience spanning numerous fields, including international business management, control engineering, electrical engineering, telecommunication, brand management, marketing communication, mass communication, law, accounting, finance, corporate governance, computer science and semiconductor, etc.

Diversity of the Board of Directors' members has been implemented in 2024 as shown below:

Diversity Items Name	Title	Gender	Nationality	Age	Employee of the Company	Employee of Subsidiaries	Years as an Independent Director	Professional Background	GICS Information Technology Experience (Note)
Ping Cheng	Chairman	Male	TW	60~69 years	Y	N	0	Business Management	Y
Mark Ko	Vice-Chairman	Male	TW	70~79 years	Y	N	0	Control Engineering	Y
Bruce CH Cheng	Director	Male	TW	80~89 years	N	N	0	Electrical Engineering	Y
Yancey Hai	Director	Male	TW / US	70~79 years	N	N	0	International Business Management	Y
Simon Chang	Director	Male	TW	60~69 years	Y	N	0	Business Management and Electrical Engineering	Y
Victor Cheng	Director	Male	TW	60~69 years	N	Y	0	Electrical Engineering	Y
Shan-Shan Guo	Director	Female	TW	50~59 years	Y	N	0	Brand Management and Marketing Communication	N
Audrey Tseng	Independent Director	Female	TW	60~69 years	N	N	3	Accounting, Finance, Business Management and Corporate Governance	N
Shyue-Ching Lu	Independent Director	Male	TW	70~79 years	N	N	4	Electrical Engineering and Communication	Y
Jack J.T. Huang	Independent Director	Male	TW	70~79 years	N	N	4	Law	N
Rose Tsou	Independent Director	Female	TW	50~59 years	N	N	4	Marketing Management and Mass Communication	N
Doris Hsu	Independent Director	Female	TW	60~69 years	N	N	1	Computer Science and Semiconductor	Y

Note: The Information Technology is classified under the sectors of the Global Industry Classification Standard (GICS).

Diversity Items Name	Ability to make operational judgments	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry	An international market perspective	Leadership	Ability to make decisions
Ping Cheng	Excellent	Good	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Mark Ko	Excellent	Good	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Bruce CH Cheng	Excellent	Good	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Yancey Hai	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Simon Chang	Excellent	Good	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Victor Cheng	Excellent	Good	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Shan-Shan Guo	Excellent	Good	Excellent	Excellent	Good	Excellent	Excellent	Excellent
Audrey Tseng	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent
Shyue-Ching Lu	Excellent	Good	Excellent	Excellent	Good	Excellent	Excellent	Excellent
Jack J.T. Huang	Excellent	Good	Excellent	Excellent	Good	Excellent	Excellent	Excellent
Rose Tsou	Excellent	Excellent	Excellent	Excellent	Good	Excellent	Excellent	Excellent
Doris Hsu	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent	Excellent

(2) Independence of the Board of Directors:

Policy: The Company's "Rules for Election of Directors" stipulates that the number of directors having a spousal relationship within the second degree of kinship with any other directors shall be less than half of the total of directors. And the Company's "Rules and Procedures of the Meeting of Board of Directors" also stipulates that if any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationships is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another directors' proxy to exercise voting rights on that matter.

Goal: To maintain the independence of the Board of Directors, the Company set a target of having three independent directors in accordance with legal requirements. We have established the Audit and Risk Committee and the Compensation Committee, composed of all independent directors. Through professional division of duties and an independent and impartial position, the committees assist the Board in fully exercising its strategic guidance on governance, risk management, and sustainable operations.

Achievement: As of the date of publication of the 2024 Annual Report, the 20th term of the Board of Directors consists of 12 directors. 67% (8 seats) of the directors were non-employees of the Company or subsidiaries (58% in 2023), and 42% (5 seats) of the directors were independent director (42% in 2023), 25% (3 seats) of the directors had family relationship within the second degree of kinship representing (25% in 2023), and there was no any family relationship within the second degree of kinship between independent directors or between independent directors and directors, which was in compliance with Paragraphs 3 and 4, Article 26-3 of the "Securities and Exchange Act". None of all directors had any circumstances defined in Article 30 of the "Company Act", and all of them met the relevant regulatory requirements promulgated by the Financial Supervisory Commission R.O.C. Regarding the conflicted directors' recusals from agenda items in 2025, please refer to the section of "Implementation of Corporate Governance" in the Chapter 2 "Corporate Governance Report" in the 2024 Annual Report.