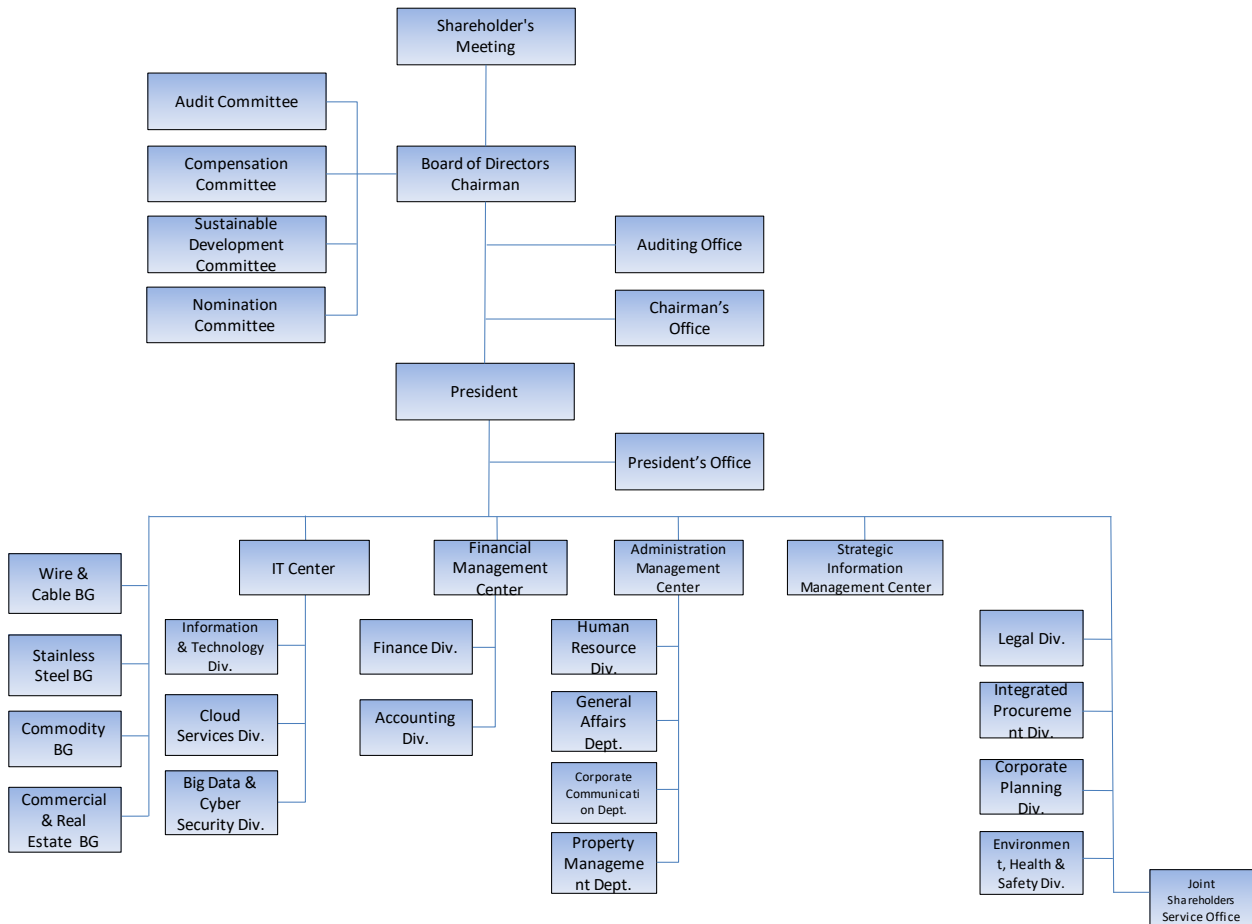


III Corporate Governance Report

1. Organizational Chart

(1) Company Organization Chart (March 18, 2022)



(2) Principal Duties of Various Departments

Department	Job Duties & Functions
Audit Committee	Assisting the Board of Directors in decision-making and supervising matters, including the correctness and accuracy of the Company's financial statements, the engagement (dismissal), independence and performance of attesting CPA, internal control, legal compliance and risk management.
Compensation Committee	Drafting and periodically reviewing the performance evaluation of board directors and managers, as well as the policy, system, standard and structure of compensation. Periodically evaluating and determining the compensation for board directors and managers.
Sustainable Development Committee	Formulating corporate social responsibility vision and strategy; inspecting the Group's overall as well as various committees' steering and overseeing implementation performances via regular meetings; annual CSR results to be submitted to the Board of Directors in the following year.
Nomination Committee	Assisting the Board of Directors in developing and identifying candidates for Board members and senior management and their independence standards, establishing and periodically reviewing a continuing education and succession plan, and ensuring that the Company operates in accordance with the Corporate Governance Best Practice Principles.
Auditing Office	Responsible for planning and auditing internal auditing systems.
Wire & Cable BG	Product Types: Copper rods and wires that power cable and wire industries use as basic raw materials for conductors, as well as low-, medium- and high-voltage PVC cables, cross-linking PE cables, specialty & professional fire-resistant, fire-retardant, low-smoke and halogen-free cables for different industries, rubber cables, communication cables, related materials for cable insulation, as well as other plastic accessories.

Department	Job Duties & Functions
	Responsible for integrating the functions of business, technology, manufacturing of each BU. The managers of this BG are responsible for its profit/loss, improving long-term competitiveness and executing the Company's strategies.
Stainless Steel BG	Product Types: Stainless steel slabs (ingots), hot-rolled steel coils, cold-rolled steel coils, hot-rolled rods and cold drawn straight bars, and stainless steel seamless pipes and alloy steel pipes, including ordinary fluid pipes, heat-exchanging pipes, boiler pipes, instrumentation tubes, steel wires for pre-stressed concrete, stranded steel wires, zinc-plated steel wires for bridge cables, zinc-plated stranded steel wires, PE for bridge bracing cables and epoxy-coated stranded steel wires. Responsible for integrating the functions of business, technology, manufacturing, operation and administration of each BU. The managers of this BG are responsible for its profit/loss, improving long-term competitiveness and executing the Company's strategies.
Commodity BG	Responsible for raw material procurement transactions, control of raw material price risk, and operation management of Walsin Nickel Industrial Indonesia.
Commerce & Real Estate BG	Business Items: Developing composite commercial properties, real estate management, etc. The managers of this BG are responsible for its profit/loss, improving long-term competitiveness and executing the Company's strategies.
IT Center	Establishment of information system for Industry 4.0 business operation, establishment of reliable/safe information system environment, realization of platform for cloud information service and establishment of big data analysis.
Financial Management Center	Responsible for the operation of financial accounting system and participating in the management and decision-making.
Administration Management Center	Responsible for human resources, procurement, media and general affairs, etc.
Strategic Information Management Center	Responsible for data utilization indicator design and action plan planning, data analysis and modeling, data management and information security, internal and external resources integration and management.
Legal Division	Responsible for legal risk management and the preparation and management of various contracts, legal disputes, litigation or non-litigation cases.
Integrated Procurement Div.	Responsible for procurement policy formulation and improvement of procurement system, cross-regional procurement resource allocation and integration, joint bargaining for the best procurement cost, and establishment of strategic partnership with important suppliers.
Corporate Planning Div.	Responsible for investment planning and execution related to company strategy.
Environment, Health & Safety Division	Responsible for the Company's environmental protection, occupational safety and health management and other related matters, and promoting and implementing the company-wide environment, safety and health business strategies and plans.
Joint Shareholders Service Office	Responsible for the planning and execution of the Company's shareholder services and the administration matters relating thereto.

2. Profiles of Board Directors, President, Vice Presidents and Department Heads

(1) Information on Directors

Title	Nationality or Registration Country	Name	Gender & Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse and Underage Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Chairman	R.O.C.	Yu-Lon Chiao	Male 61-70 years old	May 29, 2020	3 years	April 10, 1981	45,961,773	1.38%	47,161,773	1.37%	19,638,314	0.57%
Vice Chairman	R.O.C.	Patricia Chiao	Female 61-70 years old	May 29, 2020	3 years	May 31, 2005 (Note2)	91,969,006	2.77%	93,169,006	2.72%	0.00	0.00%
Director	R.O.C.	Yu-Cheng Chiao	Male 61-70 years old	May 29, 2020	3 years	April 10, 1981	39,508,661	1.19%	40,661,551	1.19%	19,032,428	0.55%
Director	R.O.C.	Yu-Heng Chiao	Male 61-70 years old	May 29, 2020	3 years	April 18, 1990	57,792,197	1.74%	61,072,197	1.78%	10,274,952	0.30%

December 31, 2021

	Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor who are Spouse or Relative within Second Degree			Note (Note 1)
	Number of shares	Percentage			Position	Name	Relationship	
	0	0.00%	Business Administration Department, University of Washington; The Company's former President and Vice Chairman.	Chairman of Concord Venture Capital Group; Director/ Vice President Commissioner of Hangzhou Walsin Power Cable & Wire Co., Ltd., Walton Advanced Engineering, Inc., Ltd., and subsidiaries of Walsin Lihwa Corporation.	Vice Chairman Director Director Director	Patricia Chiao Yu-Cheng Chiao Yu-Heng Chiao Wei-Shin Ma	Younger sister Older brother Younger brother Sister-in-law	None
	0	0.00%	MBA at College of Notre Dame; the Company's former assistant vice president of Investment Dept., assistant vice president of Financial Dept., head of Financial Investment Dept., assistant vice president of Commodity Center and Financial Investment Management Center, President of Insulated Wire & Cable BU.	Director of Walsin Lihwa Holding Co., Ltd., Walsin Specialty Steel Holding Co., Ltd., Walsin Specialty Steel Corporation, and Joint Success Enterprises Limited; President of Chin-Xin Investment Co., Ltd.	Chairman Director Director Director	Yu-Lon Chiao Yu-Cheng Chiao Yu-Heng Chiao Wei-Shin Ma	Older brother Older brother Younger brother Sister-in-law	None
	0	0.00%	University of Washington Masters of Electrical Engineer and Business Administration The Company's former chairman.	Chairman of Winbond Electronics Corporation and Chin-Xin Investment Co., Ltd; Director of Walsin Technology Corporation, Nuvoton Technology Corp, Jincheng Construction Co., Ltd., United Industrial Gases Co., Ltd., MiTAC Holdings Corporation, Landmark Group Holdings Ltd., Peaceful River Corporation, Winbond International Corporation, Winbond Electronics Corporation America, Marketplace Management Limited, Nuvoton Investment Holding Ltd., Pigeon Creek Holding Co., Ltd., and Songyong Investment Co., Ltd.; CEO of Winbond Electronics Corporation; Manager of Goldbond LLC; Independent Director, member of the Audit Committee and convener of the Compensation Committee at Taiwan Cement Corp.	Chairman Vice Chairman Director Director	Yu-Lon Chiao Patricia Chiao Yu-Heng Chiao Wei-Shin Ma	Younger brother Younger sister Younger brother Sister-in-law	None
	0	0.00%	Golden Gate University, Master of Business Administration The Company's former vice president and vice chairman.	Chairman of Walsin Technology Corporation, Walton Advanced Engineering, Inc., HannStar Board Corp., Global Brands Manufacture, Prosperity Dielectrics Co., Ltd., Info-Tek Corp., HannStar Board Corporation (Jiangyi), Silitech Technology Corporation, and Yu Yue Corporation; Vice Chairman of Career Technology Mfg. Co., Ltd.; Director of Sheng Cheng Industry, An Xin e-Commerce, Inpaq Technology Co., Ltd., and VVG Co. Ltd.	Chairman Vice Chairman Director Director	Yu-Lon Chiao Patricia Chiao Yu-Cheng Chiao Wei-Shin Ma	Older brother Older sister Older brother Sister-in-law	None

Title	Nationality or Registration Country	Name	Gender & Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse and Underage Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Director	R.O.C.	Andrew Hsia	Male 71-80 years old	May 29, 2020	3 years	May 29, 2020	0	0.00%	0	0.00%	0	0.00%
Director	R.O.C.	Wei-Shin Ma	Female 51-60 years old	May 29, 2020	3 years	June 11, 2014	244,033	0.01%	244,033	0.01%	54,205,908	1.58%
Director	R.O.C.	Chin-Xin Investment Co., Ltd Representative: Pei-Ming Chen	- Male 51-60 years old	May 29, 2020	3 years	Legal Person: May 31, 2005 (Note3) Representative: May 29, 2020	210,011,000 0	6.31% 0.00%	220,011,000 0	6.41% 0%	- 0	- 0.00%
Independent Director	R.O.C.	Ming-Ling Hsueh	Male 61-70 years old	May 29, 2020	3 years	June 11, 2014	0	0.00%	0	0.00%	0	0.00%

December 31, 2021

	Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor who are Spouse or Relative within Second Degree			Note (Note 1)
	Number of shares	Percentage			Position	Name	Relationship	
	0	0.00%	He received his bachelor's degree in law from Fu Jen Catholic University and his master's degree in diplomacy from the National Chengchi University; he graduated from Graduate Institute of Legal Studies, University of Oxford, UK (M. Litt); he was Head of the Political Section of the R.O.C. Representative Office in the United States, Deputy Representative of the R.O.C. Representative Office in Canada, Head of the R.O.C. Representative Office in New York, R.O.C. Representative Office in India, Political Deputy Minister of Ministry of Foreign Affairs, Deputy Minister of Ministry of National Defense, and Chairman of the Mainland Affairs Council, Executive Yuan.	Vice President & Spokesman of Phu My Hung Holding Group; Chief Representative of Central Trading & Development Corporation.	None	None	None	None
	0	0.00%	Ph.D., College of Humanities and Social Sciences of National Tsing Hua University, Peking University, Master of Business Administration for Senior Managers, University of California (Berkeley), Department of East Asian Languages; Chairman of Yuanta Securities Investment Trust Corporation and HannStar Display Corp.	Chairman of HannsTouch Solution Inc., Golden Apple Investment Company, and Online Banking Investment Co., Ltd.; Director of HannStar Color Co., Winbond Electronics Corporation, United Integrated Services Co., Ltd., and White Stone Management Consultancy.	Chairman Vice Chairman Director Director	Yu-Lon Chiao Patricia Chiao Yu-Cheng Chiao Yu-Heng Chiao	Brother-in-law Sister-in-law Brother-in-law Brother-in-law	None
	0	0.00%	M.S. in Electrical Engineering, University of Detroit, USA; B.S. in Electrical Engineering, National Cheng Kung University; Director, Nuvoton Technology Co. Ltd. and Vice President of DRAM Products Business Group of Winbond Electronics Co.	President of Winbond Electronics Co. Ltd.	None	None	None	None
	0	0.00%	Soochow University, Master in Accountancy; Bloomsburg University of Pennsylvania, Master of Business Administration; PwC Taiwan Director; Executive Director, Taiwan Corporate Governance Association; Adjunct Professor, School of Science and Technology Management, National Tsing Hua University; Adjunct Professor, School of Management, National Taiwan University of Science and Technology.	Independent Director of Yuanta Financial Holdings & Yuanta Commercial Bank, TTY Biopharm and Lite-On Technology Corporation; Director of Tung Hua Book Co., Ltd.	None	None	None	None

Title	Nationality or Registration Country	Name	Gender & Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held by Spouse and Underage Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Independent Director	R.O.C.	King-Ling Du	Male 71-80 years old	May 29, 2020	3 years	June 11, 2014	0	0.00%	0	0.00%	1,000	0.00%
Independent Director	R.O.C.	Shiang-Chung Chen	Male 51-60 years old	May 29, 2020	3 years	June 11, 2014	0	0.00%	0	0.00%	0	0.00%
Independent Director	R.O.C.	Fu-Hsiung Hu	Male 61-70 years old	May 29, 2020	3 years	May 29, 2020	0	0.00%	0	0.00%	0	0.00%

Note 1: Where the chairman and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness of, necessity of, and the measures adopted in response to, the above situation.

Note 2: Patricia Chiao served on the Company's Board between May 31, 2005 and June 10, 2014 and from May 25, 2016 until now.

Note 3: Chin-Xin Investment Co., Ltd served on the Company's Board between May 31, 2005 and June 10, 2014 and from May 26, 2015 until now.

December 31, 2021

	Shares Held in Name of Others		Key Education/Work Experience	Other Current Positions Within the Company	Other Officer, Director or Supervisor who are Spouse or Relative within Second Degree			Note (Note 1)
	Number of shares	Percentage			Position	Name	Relationship	
	0	0.00%	Mississippi State University, Masters in Mechanical Engineering; New York University, financial management research; Stanford University, Advance marketing research; U.S. representative of China Steel Corporation (Steel Division, U.S. Purchasing Group of Executive Yuan), Deputy General Manager of Business Department, Engineering Department, Corporate Planning Department, and Executive Deputy General Manager; General Manager, Kaohsiung Rapid Transit Corporation; Chairman, China Ecotek Corporation.	Director of Sheh Fung Screws Co., Ltd and Green River Holding Co., Ltd.	None	None	None	None
	0	0.00%	The School of Industrial Engineering at Purdue University; President of Mercuries Data Systems Ltd.	Chairman and President of Mercuries Data Systems Ltd.; Chairman of Nanjing Mercuries Development of Software Co., Ltd., Mercuries Insurance Agent Co., Ltd. and Hipact Tech Inc.; Director of Mercuries Holdings Corporation, Mercuries Data Systems Ltd., Shang-Ling Investment Inc., Shang-Hong Investment Inc., Yangzheng Investment Co., Ltd. and EASYCARD Investment Holding Company; Supervisor of Digicentre Co., Ltd.; Independent Director of Teco Image Systems Inc.; Director of Taiwan Masters Golf Promotion Foundation, and Institute for National Policy Research Foundation; Director of the Friends of the Police Association of the Republic of China, Vice President of Criminal Investigation and Prevention Association of the Republic of China; Chairman of the Security Police Third Corps Police Club of the Police Friendship Association of the Republic of China; Director of Taipei Independent Directors Association	None	None	None	None
	0	0.00%	M.A., Graduate School of Business, National Taiwan University; Managing Director, Central Trust Bureau; Director of Mega Bank; Director of Department of Economic Energy and Agriculture, Executive Yuan; Vice Chairman of Council of Agriculture; Chairman of National Animal Industry Foundation, Institute of Animal Science and Technology, and Joint Credit Information Center and Taiwan Cooperative Securities	Independent Managing Director of O-Bank Co., Ltd.	None	None	None	None

1. Major shareholders of institutional shareholder

December 31, 2021

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Chin-Xin Investment Co., Ltd	Winbond Electronics Corp.	37.69%
	Walsin Lihwa Corporation	36.99%
	Huali Investment Corp.	4.43%
	Yu-Cheng Chiao	3.14%
	Yu-Lon Chiao	3.14%
	Yu-Heng Chiao	3.14%
	Yu-Chi Chiao	3.14%
	Walsin Technology Corporation.	1.86%
	HannStar Board Corporation	1.34%
	Prosperity Dielectrics Co., Ltd.	0.72%

Note: Top ten shareholders of the institutional shareholder. The shareholding ratios are rounded to the nearest hundredth percent.

2. Major Shareholders in Previous Table who are Institutional Investors and their Major Shareholders

December 31, 2021

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Winbond Electronics Corporation	Walsin Lihwa Corporation	22.21%
	Chin-Xin Investment Co., Ltd	6.01%
	LGT Bank (Singapore) Investment Fund under the custody of Business Department of Standard Chartered Bank (Taiwan) Limited	1.65%
	Yu-Cheng Chiao	1.47%
	2008-1 New Labor Pension Fund Investment Account (Discretionary Mandate with Polaris Securities)	1.28%
	Vanguard Emerging Markets Stock Index Fund managed by Vanguard Group under the custody of JP Morgan Chase Bank N.A., Taipei Branch	1.03%
	Pai-Yung Hong	0.97%
	PGIA General International Stock Index Fund, one of the fund series managed by PGIA, under the custody of JP Morgan Chase Bank N.A., Taipei Branch	0.94%
	iShares MSCI Taiwan Index ETF Investment Fund under the custody of Business Department of Standard Chartered Bank (Taiwan) Limited	0.83%
	Yu-Heng Chiao	0.75%

Note: Top ten shareholders of the institutional shareholder. The shareholding ratios are rounded to the nearest hundredth percent.

March 15, 2022

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Walsin Lihwa Corporation	LGT Bank (Singapore) Investment Fund under the custody of Business Department, Standard Chartered Bank (Taiwan) Ltd.	7.33%
	Winbond Electronics Corporation	6.47%
	Chin-Xin Investment Co., Ltd	6.41%
	TECO Electric and Machinery Co., Ltd.	5.98%
	Rong Jiang Co., Ltd.	4.31%
	Huali Investment Corp.	2.91%
	Patricia Chiao	2.72%
	Investment Account of Banque Pictet & CIE SA under the custody of HSBC	1.81%
	Yu-Heng Chiao	1.78%
	Norges Bank Investment Fund under the custody of Citibank, Taipei Branch	1.52%

Note: Top ten shareholders of the institutional shareholder. The shareholding ratios are rounded to the nearest hundredth percent.

December 31, 2021

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Note)	Shareholding
Huali Investment Corp.	HannStar Color Co. Ltd.	100%
Walsin Technology Corporation	Walsin Lihwa Corporation HannStar Board Corporation Global Brands Manufacture Ltd. Walton Advanced Engineering, Inc. Kim Eng Securities Private Co., Ltd. investment account under the custody of Citibank Taiwan Ltd. Yu-Heng Chiao Winbond Electronics Corporation Fubon Life Insurance Co., Ltd. Vanguard Emerging Markets Stock Index Fund managed by Vanguard Group under the custody of JP Morgan Chase Bank N.A., Taipei Branch Giga Investment Co.	18.30% 7.55% 3.21% 2.74% 2.74% 2.65% 1.77% 1.64% 1.45% 1.37%
HannStar Board Corporation	Walsin Technology Corporation Walsin Lihwa Corporation Career Technology (Mfg.) Co., Ltd. Chin-Xin Investment Co., Ltd Yu-Heng Chiao Pai-Yung Hong Special Account of BNP Paribas, Singapore Branch under the custody of HSBC Prosperity Dielectrics Co., Ltd. Walsin Color Corporation Yu Yueh Co., Ltd.	20.32% 12.06% 5.43% 3.54% 2.18% 1.86% 1.49% 1.07% 0.95% 0.89%
Prosperity Dielectrics Co., Ltd.	Walsin Technology Corporation Walton Advanced Engineering, Inc. Yu-Heng Chiao Ta-Ho Maritime Corporation ABC Taiwan Electronics Corp Wen-Che Shen Chiao-Fang Hsu Investment Account of Mercer Investment No. 1 Fund Entrusted by Mercer QIF Fund Company with the External Manager, Fei-Si Investment Management Co., Ltd., under the custody of Business Department of Standard Chartered Bank (Taiwan) Limited Tsung-Yuan Huang UBS Europe SE Investment Fund under the custody of Citibank, Taipei Branch	43.13% 0.75% 0.62% 0.55% 0.47% 0.44% 0.33% 0.30% 0.28% 0.25%

Note: Top ten shareholders of the institutional shareholder. The shareholding ratios are rounded to the nearest hundredth percent.

3. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

Qualification Name	Professional Qualifications and Experience (Note 1)	Independence (Note 2)	Number of Other Public Companies Where He/She Acts as Independent Directors Concurrently
Yu-Lon Chiao	Mr. Yu-Lon Chiao joined Walsin Lihwa in 1983 and has served as Vice President, President, Vice Chairman, and CEO, and took over as Chairman in 1996. Mr. Chiao, highly experienced in the wire and cable, stainless steel, electronic technology, commercial and real estate industries, has focused on the management of the Company and led the Company's continuous growth with good results. He has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Yu-Lon Chiao, Chairman, has not been involved in any of the circumstances described in Subparagraph 6, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Patricia Chiao	Patricia Chiao, Vice Chairman, has been with the Company since 1981, has served as Assistant Vice President of the Finance Department, Special Assistant to the President, Associate Manager and Vice President of the Commodity Center and Financial Investment Management Center, General Manager of the Copper Business Group, and General Manager of the Wire and Cable Business Group, and has served as Vice Chairman since 2016. She is familiar with the organization and business operations of the Company and has professional knowledge and experience in management, investment judgment and human resources. She has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Patricia Chiao, Vice Chairman, has not been involved in any of the circumstances described in Subparagraphs 6 and 9, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Yu-Cheng Chiao	Yu-Cheng Chiao, Director, served as Chairman of the Company from 1986 to 1994. Currently, he serves as Chairman of Winbond Electronics Corporation, Independent Director of Taiwan Cement Corporation, Director of Walsin Technology Corporation. He served as, among others, Chairman of Nuvoton Technology Corporation and Director of Taiwan Electrical and Electronic Manufacturers' Association, received the ERSO Award and was elected as the eighth member of ITRI. Therefore, he has the necessary expertise and experience in management and business development of the Company. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Yu-Cheng Chiao, Director, has not been involved in any of the circumstances described in Subparagraphs 1 and 6, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	1
Yu-Heng Chiao	Yu-Heng Chiao, Director, the Vice President and Vice Chairman of the Company from 1990 to 1996. Currently, he acts as Chairman of Walsin Technology Corporation, HannStar Board Corp., Global Brands Manufacture Ltd., Walton Advanced Engineering, Inc., Prosperity Dielectrics Co., Ltd., Info-Tek Corp., and Silitech Technology Corporation. Therefore, he has the necessary expertise and experience in management and business development of the Company. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Yu-Heng Chiao, Director, has not been involved in any of the circumstances described in Subparagraph 1 and Subparagraphs 6 to 9, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0

Qualification Name	Professional Qualifications and Experience (Note 1)	Independence (Note 2)	Number of Other Public Companies Where He/She Acts as Independent Directors Concurrently
Andrew Hsia	Andrew Hsia, Director, serves as Vice President and Spokesman of Phu My Hung International Corporation and Chief Representative of Central Trading & Development Corporation (Samoa). He served as, among others, a diplomat of the Republic of China, Chairman of the Mainland Affairs Council, Deputy Minister of the Ministry of National Defense, Representative of the Ministry of Foreign Affairs in Indonesia, and Head of Political Section, Ministry of Foreign Affairs. He has a background of legal and diplomatic expertise and an international perspective, and is familiar with the economies and markets of the Southeast Asian region. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Andrew Hsia, Director, has not been involved in any of the circumstances described in Subparagraph 1 and Subparagraphs 3 to 9, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Wei-Shin Ma	Wei-Shin Ma, Director, serves as CEO and Chairman of HannsTouch Solution Inc., Chairman of Golden Apple Investment Company, and Chairman of Online Banking Investment Co., Ltd., Director of White Stone Management Consultancy and Director of United Integrated Services Co., Ltd. She served as Chairman of HannStar Display Corp. and Chairman of Yuanta Securities Investment Trust Corporation. She has experience in business, finance and accounting, with expertise in technology leadership, operational judgment and management. In addition, she has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Wei-Shin Ma, Director, has not been involved in any of the circumstances described in Subparagraph 1 and Subparagraphs 6 to 9, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Chin-Xin Investment Co., Ltd Representative: Pei-Ming Chen	Pei-Ming Chen, Director, is President of Winbond Electronics Co. Ltd. He was Chairman of Nuvoton Technology Co. Ltd. and Vice President of DRAM Products Business Group and Sales Center of Winbond Electronics Co. With his primary education in electrical engineering and his work experience focused on the semiconductor business, he has participated in many mergers and acquisitions and international business integration and therefore has the necessary experience and expertise in business management and development of the Company's business. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Pei-Ming Chen, Director, has not been involved in any of the circumstances described in Subparagraphs 1, 3, 4, 6, 7, and 9, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.	0
Ming-Ling Hsueh	Ming-Ling Hsueh, Independent Director, used to act as PwC Taiwan Director, and is Independent Director of Yuanta Financial Holdings & Yuanta Commercial Bank, Lite-On Technology Corporation, and TTY Biopharm, and Director of Tung Hua Book Co., Ltd. He is also Adjunct Professor, School of Science and Technology Management, National Tsing Hua University, Adjunct Professor, School of Management, National Taiwan University of Science and Technology, and Executive Director, Taiwan Corporate Governance Association. Therefore, he has professional knowledge and background in finance, accounting and corporate governance. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Ming-Ling Hsueh, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	3

Qualification Name	Professional Qualifications and Experience (Note 1)	Independence (Note 2)	Number of Other Public Companies Where He/She Acts as Independent Directors Concurrently
King-Ling Du	King-Ling Du, Independent Director, was Executive Vice President, Vice President of Business and Planning and Engineering, and Representative in Singapore and New York, USA, of China Steel Corporation; General Manager, Kaohsiung Rapid Transit Corporation; and Chairman, China Ecotek Corporation. He is currently Director of Sheh Fung Screws Co., Ltd and Green River Holding Co., Ltd. He has long experience in the steel industry and is familiar with the planning and promotion of production, plant expansion and environmental protection projects, with expertise in mechanical engineering, industrial development and operation management. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	King-Ling Du, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	0
Shiang-Chung Chen	Shiang-Chung Chen, Independent Director, served in the Stainless Steel Business Group of the Company from 1993 to 2004 as Head of Division. He is now Chairman and President of Mercuries Data Systems Ltd. and Independent Director of Hipact Tech Inc., Nanjing Mercuries Development of Software Co., Ltd., Mercuries Insurance Agent Co., Ltd. and Teco Electric & Machinery Co., Ltd. He has long experience in the system and platform development and integration engineering business in the information industry and is also familiar with the production and sales management of stainless steel business; therefore, he has the necessary professional and work experience for the Company's business. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Shiang-Chung Chen, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	1
Fu-Hsiung Hu	Fu-Hsiung Hu, Independent Director, was Vice Chairman, Council of Agriculture, Executive Yuan; Director of Department of Economic Energy and Agriculture, Executive Yuan; Director of the Office of the President of the Executive Yuan; Chairman of Joint Credit Information Center, Taiwan Cooperative Securities, and National Animal Industry Foundation; Director, Mega International Commercial Bank and Taiwan Cooperative Bank; Managing Director, Central Trust of China; Director, Straits Exchange Foundation. He is currently acting as Managing Director of O-Bank, with professional knowledge and background in business administration, finance and securities, and credit information. In addition, he has not been involved in any of the circumstances described in the subparagraphs of Article 30 of the Company Act.	Fu-Hsiung Hu, Independent Director, has not been involved in any of the circumstances described in Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Besides, neither he nor his spouse nor any of his relatives within second degree of kinship is a director of the Company or its affiliates holding any number and proportion of shares of the Company (which are not held in the name of others).	1

Note 1: None of the Independent Directors of the Company are directors, supervisors or employees of companies with specific relationships with the Company and have not received compensation for providing business, legal, financial or accounting services to the Company or its affiliates in the last two years.

4. Diversity and Independence of the Board

(1) Diversity of the Board

In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles and the "Principles of Election of Board Members and Managers and Guidelines for Continuing Education and Succession Planning" established by the Company in November 2021, the Board of Directors will implement the objectives of diversity and independence in terms of expertise, experience and gender required for Board members, and will continue to invite appropriate candidates to join the Board of Directors in accordance with the above objectives in order to strengthen the balance of the Board of Directors in response to the Company's development strategies and changes in the internal and external environment. In order to achieve the desired objectives of corporate governance, the Board of Directors of the Company is composed of members from the management team, managers of relevant industries and professionals with financial, business and accounting backgrounds, who effectively perform the duties of Board members with different fields and work backgrounds. These duties include establishing and maintaining the Company's vision and values, assisting in promoting corporate governance and strengthening management, overseeing and evaluating the implementation of management policies and operational plans, and being responsible for the Company's overall economic, social, and environmental operations to enhance corporate governance and corporate value from the perspective of stakeholders.

The Company has built its strength by being focused on the wire and cable, stainless steel, commodity, and commercial real estate fields and become a model of business excellence moving towards the manufacturing service industry. If we look at the list of directors of the Company, Yu-Lon Chiao, Chairman, has been working in the business field of the Company for a long time and has a good understanding of the operation and development of the industry, with an open-minded leadership style that encourages adoption of suggestions; Director Yu-Cheng Chiao and Director Yu-Heng Chiao have joined the management team of the Company and therefore are familiar with the organization and business operation of the Company and are good at operation management; Andrew Hsia, Director, comes from a diplomatic background with an international perspective and therefore has a good grasp of the conditions of the Southeast Asian market and can fully assist the Company in making relevant investment decisions; Director Pei-Ming Chen's work experience is focused on semiconductor business, and he has participated in many mergers and acquisitions and international business integration and therefore has operational management experience and expertise. As for the two female Directors, Director Patricia Chiao specializes in operational management, investment judgment and human resources, while Director Wei-Shin Ma specializes in technology leadership, operational judgment and operational management. The Company's Independent Directors have industry knowledge and an international market perspective, with Independent Director Ming-Ling Hsueh specializing in finance, accounting and corporate governance, Independent Director Fu-Hsiung Hu having expertise and experience in business administration, finance and securities, and credit information, Independent Director King-Ling Du having extensive steel expertise and being familiar with the development and management of the stainless steel industry, and Independent Director Shiang-Chung Chen specializing in intelligent technology leadership with a good grasp of the development of Industry 4.0.

(2) Independence of the Board:

There are 11 Directors of the Company, including 4 Independent Directors, whose terms of office do not exceed three consecutive terms, so as not to reduce their independence due to long tenure and to enable them to exercise their duties and responsibilities objectively, and none of them are subject to Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

The Company should have only 3 Independent Directors in accordance with the law, but it has four Independent Directors, one more than legally required, which exceed the statutory target and account for 36% of all Directors of the Company, in order to improve the Company's operation and development and operation of corporate governance practices.

(2) Profile of President, Vice Presidents and Department Heads

Title	Nationality	Name	Gender	Date appointed (Note1)	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others	
					Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
President & President of Commerce & Real Estate BG	R.O.C.	Fred Pan	Male	July 16, 2007	107,300	0.00%	0	0.00%	0	0.00%
Executive Vice President & Head of Finance Dept.	R.O.C.	C.C. Chen	Male	May 1, 2010	235,722	0.01%	0	0.00%	0	0.00%
President of Insulated Wire & Cable BG	R.O.C.	Jin-Renn Leu	Male	August 13, 2014	40,900	0.00%	11,000	0.00%	0	0.00%
President of Stainless Steel BG	R.O.C.	Kevin Niu	Male	December 4, 2017	0	0.00%	0	0.00%	0	0.00%
President of Commodity BG	R.O.C.	Josh Chia	Male	June 13, 2019	0	0.00%	11,559	0.00%	0	0.00%

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	Education/Work Experience	Other Current Positions at Other Companies	Manager who is Spouse or Relative within the Second Degree			Shares Acquired by Managers under Employee Stock Options	Note (Note 2)
			Title	Name	Relationship		
	MBA of US Tulane University; Finance Chief of Marketing of Philips Taiwan Semiconductor, Finance Chief of Sales of Philips Asia Pacific Semiconductor; the Company's Accounting Division head, Chief of Staff and Vice President.	Vice Chairman of Nanjing Walsin Property Management Co., Ltd.; Director of Walsin (Nanjing) Development Co., Ltd., Walsin International Investment, Joint Success Enterprises Limited; Director and President of Jincheng Construction Co., Ltd., Walsin China Investment Co., Ltd.	None	None	None	None	None
	Master of Accounting Graduate School, National Taiwan University; Audit Team Leader of Deloitte Touche Tohmatsu Limited, Financial Assistant Vice President of Promisedland, Partner of GACPA, Partner of Tianyao United Accountants; the Company's Manager of Performance Analysis Department of Financial Service Center, Head of Financial Management Center, Head of Accounting Division, Head of China Management Division, Vice President of Specialty Steel BG, Head of Yantai BU, Head and Vice President of Specialty Steel BU, and President of Commodity BG.	Chairman of Shanghai Baihe Walsin Lihwa Specialty Steel Products Co., Ltd.; Director of Walsin International Investment, Walsin China Investment Co., Ltd., Walsin Info-Electric Inc. and PT. Walsin Nickel Industrial Indonesia.	None	None	None	None	None
	M.S. in Electrical Engineering, Yuan Ze University; Assistant Manager of Optical Communication Division/Communication Technology Division, Manager of Communication Technology/Quality Assurance Technology Division, Electrical Production/Communication Operation Division, Director of Hsinchuang BU, Vice President of Cable & Wire BG; Head of Wire BU of the Company.	Director of Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd., Chung Tai Technology Development Engineering Co., Ltd., and Taiwan Electric Research & Testing Center	None	None	None	None	None
	Ph.D., Carnegie Mellon University, Pittsburgh, USA; Quantitative Analyst of U.S. based Provident Capital Management, Special Assistant to CEO of Chinatimes Network Technology, Associate Manager of Financial Trading Department of Yuanta Securities, Vice President of Securities Department of CTBC Bank, Vice President of Derivatives Department of KGI Securities; Chief Marketing Officer and Head of Resources Management Center of the Company.	Chairman of Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	None	None	None	None	None
	MPA in Finance, New York University; MBA in Accounting, National Taiwan University; Bachelor of Accounting, National Taiwan University; Head of Asset and Liability Management Department/Performance Management Department/Corporate Finance Department of Standard Chartered Bank, Executive Vice President & Accounting Officer of Finance Division of Standard Chartered Bank, Vice President of Accounting Department of Fubon Bank (China) Co., Ltd.; the Company's Project Director of the President Office, Head of Finance Division and Vice President of Financial Management Center.	Chairman of PT. Walsin Nickel Industrial Indonesia; Director of Walsin Precision Technology Co., Ltd. and New Hono Investment PTE. LTD.	None	None	None	None	None

Title	Nationality	Name	Gender	Date appointed	Shares Held		Shares Held by Spouse and Underage Children		Shares Held in Name of Others	
					Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage
Head of Corporate Governance	R.O.C.	Hueiping Lo (Note 3)	Female	January 22, 2021	0	0.00%	0	0.00%	0	0.00%
Director of Accounting	R.O.C.	Richard Wu	Male	May 1, 2010	110,400	0.00%	0	0.00%	0	0.00%

Note 1: Date appointed is the first time appointed department heads.

Note 2: Where the chairman and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness of, necessity of, and the measures adopted in response to, the above situation.

Note 3: Ms. Hueiping Lo took office as Head of Corporate Governance effective from January 22, 2021.

	Education/Work Experience	Other Current Positions at Other Companies	Manager who is Spouse or Relative within the Second Degree			Shares Acquired by Managers under Employee Stock Options	Note (Note 2)
			Title	Name	Relationship		
	Master of Graduate Institute of Accounting, Soochow University; former Vice President of Taiwan Cooperative Securities, Associate Manager of KGI Commercial Bank, and Associate Manager of China Development Financial Holding Corporation.	Director of Hannstar Display Corporation and PT. Walsin Nickel Industrial Indonesia.	None	None	None	None	None
	Department of Accounting, Zhongyuan University; Team Leader of Deloitte, Deputy Manager of Southern Taiwan Accounting Firm, Deputy Manager of Kunjin Co., Ltd., and Financial Manager of Shanglin Enterprise; Associate Manager, Cost Section, Yenshiu Plant of the Company, Control Officer of Stainless Steel BU, Head of Auditing Division, and Head of General Manager Office.	Director of New Hono Investment PTE. LTD.; Supervisor of Jincheng Construction Co., Ltd., Walsin Info-Electric Corp., Min Maw Precision Industry Corp.; Supervisor of Walsin China Investment Co., Ltd., Dongguan Walsin Wire & Cable Co. Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd., Yantai Walsin Stainless Steel Co., Ltd., Jiangyin Huaxin Special Alloy Material Co., Ltd., Jiangying Walsin Steel Cable Co., Ltd., Nanjing Taiwan Trade Mart, Walsin (Nanjing) Real Estate Development Co., Ltd. and Nanjing Walsin Property Management Co., Ltd.	None	None	None	None	None

3. Remunerations to Directors, President and Vice Presidents in the Most Recent Year

(1) Remuneration to Directors (including Independent Directors)

Title	Name	Directors Remuneration								
		Remuneration (A) (Note 1)		Pension (B)		Remuneration to Directors (C) (Note 2)		Business Expense (D) (Note 3)		
		Company	All Companies In Financial Statements (Note 6)	Company	All Companies In Financial Statements (Note 6)	Company	All Companies In Financial Statements (Note 6)	Company	All Companies In Financial Statements (Note 6)	
Director	Chairman	Yu-Lon Chiao								
	Vice Chairman	Patricia Chiao								
	Director	Yu-Cheng Chiao								
	Director	Yu-Heng Chiao								
	Director	Wei-Shin Ma								
	Legal Person Director and Representative	Chin-Xin Investment Co., Ltd Representative: Pei-Ming Chen	51,280,000	51,280,000	0	0	55,000,000	55,000,000	4,397,880	4,421,880
	Director	Andrew Hsia								
Independent Director	Independent Director	Ming-Ling Hsueh								
	Independent Director	King-Ling Du								
	Independent Director	Shiang-Chung Chen								
	Independent Director	Fu-Hsiung Hu	2,940,000	2,940,000	0	0	20,000,000	20,000,000	4,760,000	4,760,000

1. In order to facilitate the management of the remuneration of directors and functional committee members of the Company, the Company has established the "Rules for the Remuneration of Directors and Functional Committee Members", which clearly define the criteria for the remuneration payable to independent directors according to their individual professional input and performance, while taking into account the reasonableness of individual performance, the Company's operating performance and future risks.

2. Except as disclosed in the above chart, remuneration to directors received due to the services provided to all companies listed in the financial statements (such as acting as advisors of parent companies/all companies /investees listed in the financial statements who are not an employee thereof) in the most recent year: 0

Unit: NT\$

Ratio of total (A), (B), (C) and (D) to after-tax loss (Note 7) (%)		Remuneration Received as Employee								Total of (A), (B), (C), (D), (E), (F) and (G) and its Ratio to After-tax Income (Note 7) (%)		Remuneration from Re-investments other than Subsidiaries (Note 8)	
		Salary, Bonus and Special Allowance (E) (Note 4)		Pension (F)		Employee Bonus (G) (Note 5)							
		Company	All Companies In Financial Statements	Company	All Companies In Financial Statements (Note 6)	Company	All Companies In Financial Statements (Note 6)	Company					All Companies In Financial Statements (Note 6)
Cash Bonus	Stock Bonus							Cash Bonus	Stock Bonus				
110,677,880 0.7559	110,701,880 0.7560	0	0	0	0	0	0	0	0	0	110,677,880 0.7559	110,701,880 0.7560	243,278,328
27,700,000 0.1892	27,700,000 0.1892	0	0	0	0	0	0	0	0	0	27,700,000 0.1892	27,700,000 0.1892	832,300

Table of Remuneration Ranges

Range of Remuneration Paid to Directors	Names of Directors			
	Aggregate of First Four Remunerations (A+B+C+D)		Aggregate of First Seven Remunerations (A+B+C+D+E+F+G)	
	The Company	All Companies Listed in the Financial Statements	The Company	The Company and All Investees
<NT\$1,000,000				
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)				
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)				
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)				
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Yu-Cheng Chiao, Andrew Hsia, Yu-Heng Chiao, Wei-Shin Ma, Chin-Xin Investment Co., Ltd., Ming-Ling Hsueh, King-Ling Du, Shiang-Chung Chen, Fu-Hsiung Hu	Yu-Cheng Chiao, Andrew Hsia, Yu-Heng Chiao, Wei-Shin Ma, Chin-Xin Investment Co., Ltd., Ming-Ling Hsueh, King-Ling Du, Shiang-Chung Chen, Fu-Hsiung Hu	Yu-Cheng Chiao, Andrew Hsia, Yu-Heng Chiao, Wei-Shin Ma, Chin-Xin Investment Co., Ltd., Ming-Ling Hsueh, King-Ling Du, Shiang-Chung Chen, Fu-Hsiung Hu	Andrew Hsia, Ming-Ling Hsueh, King-Ling Du, Shiang-Chung Chen, Fu-Hsiung Hu
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)				
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)				Chin-Xin Investment Co., Ltd.
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	Yu-Lon Chiao, Patricia Chiao	Yu-Lon Chiao, Patricia Chiao	Yu-Lon Chiao, Patricia Chiao	Yu-Lon Chiao, Patricia Chiao, Wei-Shin Ma
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)				Yu-Cheng Chiao
> NT\$100,000,000				Yu-Heng Chiao
Total	11	11	11	11


Note 1: The Company's Independent Directors and Directors who are authorized by the Board of Directors to regularly involve in the Company's operation may receive remuneration; the amount of remuneration shall be reviewed in accordance with Director's participation and value contributed in the Company's operation, together with reference of international and domestic industrial practice, by the Remuneration Committee and submitted to the Board of Directors for approval.

Note 2: Remunerations to Directors in 2021 approved by the Board of Directors have been listed.

Note 3: Refers to the expenses incurred by Directors in 2021 to perform relevant duties (including transportation, attendance fees, special disbursements and various allowances).

Note 4: Refers to the salaries, additional pay, severance pay, various rewards, incentives, treasury stock price difference, transportation subsidies, special allowance, various allowances and salary expenses listed in accordance with IFRS 2 "share-based payment", including shares acquired under employee stock option, restricted new shares to employees and shares acquired from participation in cash capital increase option and so forth, received by Directors who are also employees (including as President, vice president, managers and employees) in 2021. In addition, the Company's remuneration to chauffeurs totaled NT\$2,763,894/year.

Note 5: Refers to Directors also working as an employee (including as President, vice president, managers and employees) and receiving employee bonus (including stocks and cash) in 2021; employee bonus for 2021 was approved by the Board of Directors.



Note 6: Refers to the total pay to the Company's Directors from all companies in the consolidated statements (including the Company).

Note 7: After-tax net income refers to the after-tax net income of the stand-alone financial statements in 2021, which amounts to NT\$14,642,629,000.

Note 8: a. This field shows the amount of related remunerations a Director of the Company receives from investees other than subsidiaries of the Company.

b. The remuneration refers to remuneration, bonus (including bonuses to employees, Directors and Supervisors) and related remunerations for the performance of duties received by a Director of the Company serving as a Director, Supervisor or manager of an investee of the Company other than subsidiaries.

* The remuneration content disclosed in this Table differs from the income concept of the Income Tax Act; therefore, this Table acts as a form of information disclosure and does not serve for the purpose of taxation

(2) Remunerations to President and Vice Presidents

Title	Name	Remuneration (A) (Note 1)		Pension (B)		Bonus and Special Allowances (C) (Note 2)	
		Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)	Company	All Companies In Financial Statements (Note 4)
President & President of Commerce & Real Estate BG	Fred Pan	22,357,657	22,357,657	1,285,255	1,285,255	45,371,697	45,395,697
Executive Vice President	C.C. Chen						
President of Stainless Steel BG	Kevin Niu						
President of Insulated Wire & Cable BG	Jin-Renn Leu						
President of Commodity BG	Josh Chia						

Table of Remuneration Ranges

Range of Remuneration Paid to President and Vice Presidents	Names of President and Vice Presidents	
	The Company	The Company and All Investees
<NT\$1,000,000		
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)		
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)		
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)		
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	C.C. Chen, Jin-Renn Leu	C.C. Chen, Jin-Renn Leu
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	Josh Chia	Josh Chia
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	Fred Pan, Kevin Niu	Fred Pan, Kevin Niu
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)		
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)		
> NT\$100,000,000		
Total	5	5

Note 1: The most recent annual salary, managerial bonus, and severance pay of the presidents and vice presidents are presented above.

Note 2: Refers to various bonuses, incentives, company car rental fees, vehicle subsidies, special allowance and salary expenses listed in accordance with IFRS 2 "share-based payment", including shares acquired under employee stock options, restricted new shares to employees and shares acquired from participation in cash capital increase options and so forth, received by managers ranked vice president or above in 2021. In addition, the Company's remuneration to chauffeurs totaled NT\$1,234,736/year.

Note 3: Refers to employee bonuses (including stock and cash bonuses) approved by the Board of Directors for distribution to managers ranked vice president or above in 2021.

Note 4: Discloses the total payment to manager's ranked vice president or above from all companies in the consolidated statements (including the Company).

Note 5: a. This field shows the amount of related remuneration managers ranked vice president or above received from investees other than subsidiaries of the Company.

b. The remuneration refers to pay, bonus (including bonuses to employees, Directors and Supervisors) and related remunerations for the performance of duties received by the Company's managers ranked vice president or above while serving as a Director, Supervisor or manager of an investee of the Company other than subsidiaries.

Note 6: After-tax net income refers to the after-tax net income of the standalone financial statement in 2021, which amounts to NT\$14,642,629,000.

* The remuneration content disclosed in this Table differs from the income concept of the Income Tax Act; therefore, this Table acts as a form of information disclosure and does not serve for the purpose of taxation.

Unit: NT\$

	Employee Bonus (D) (Note 3)				Total of (A), (B), (C) and (D) and Its Ratio to After-tax Income (%) (Note 6)		Remuneration from Re-investments or Parent Company other than Subsidiaries (Note 5)
	Company		All Companies In Financial Statements (Note 4)		Company	All Companies In Financial Statements (Note 4)	
	Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
	5,753,100	0	5,753,100	0	74,767,709 0.5106	74,791,709 0.5108	667,000

(3) Distribution of Employee Bonus to Managers

March 10, 2021

	Title	Name	Stock bonus	Cash Bonus	Total	Percentage of the Total to After-tax Net Income (%)
Managers	President & President of Commerce & Real Estate BG	Fred Pan	0	NT\$6,787,400	NT\$6,787,400	0.0464
	Executive Vice President & Head of Finance Dept.	C.C. Chen				
	President of Stainless Steel BG	Kevin Niu				
	President of Insulated Wire & Cable BG	Jin-Renn Leu				
	President of Commodity BG	Josh Chia				
	Head of Corporate Governance	Hueiping Lo (Note 1)				
	Head of Accounting Dept.	Richard Wu				

Note 1: Ms. Hueiping Lo took office as Head of Corporate Governance effective from January 22, 2021.

- ※ This Table lists managers in active duty as of the end of 2021 and their summarized 2021 employee bonus for managers approved by the Board of Directors.
- ※ After-tax net income refers to the after-tax net income of the stand-alone financial statements in 2021.

- (4) Analysis of total remunerations to Directors, President, vice presidents etc. as a percentage of the stand-alone after-tax net income in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

1. Analysis of total remunerations to Directors, President, vice presidents etc. as a percentage of the stand-alone after-tax net income in the last two years:

Title	Total Remunerations as Percentage (%) of After-tax Net Income (Losses)			
	2021		2020	
	Company	Companies in Consolidated Financial Statements	Company	Companies in Consolidated Financial Statements
Director	0.95	0.95	1.31	1.31
President and Vice President	0.51	0.51	0.61	0.61

2. Description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

(1) The Company's policy for remunerating its directors is formulated based on the Company Act and the Company's Articles of Incorporation. The remuneration of directors for the current year shall be limited to an amount not exceeding 1% of the current year's earnings and shall be paid in accordance with the Rules Governing the Compensation of Directors and Functional Members of the Company. The Company's operating strategy, profitability, future development and industry condition, as well as each director's participation in and contribution to the Company's operation (such as serving on functional committees or being invited to important business meetings), have also been taken into account in order to give them reasonable remuneration. The Compensation Committee then submits a proposal, which is passed at a board meeting before the policy takes effect.

(2) In order to ensure that the performance of managers is closely linked to the Company's strategy and that their overall compensation is competitive, the Company has established the Regulations for the Evaluation of Managerial Performance and Compensation as the basis for performance evaluation and compensation of managers. The aforementioned regulations include policies, systems, standards and structures for performance evaluation and compensation of managers, which shall be reviewed by the Compensation Committee and submitted to the Board of Directors for approval. Manager's remuneration includes salary and bonus: their salary is based on the Company's business strategy and profitability by taking into account the manager's professional ability, scope of responsibility and market competitiveness; for the bonus, the Company will take into account the results of individual performance evaluation, the reasonableness of the link between its operating performance and future risks. However, if there is a significant risk event that affects the Company's reputation, internal mismanagement, personnel malpractice and other risk events attributable to any manager, the bonus payable to him/her will be reduced or cancelled. The manager's performance evaluation structure consists of "results evaluation" and "function evaluation". After setting targets at the beginning of the year, the management performance review is conducted quarterly and the performance evaluation is conducted semi-annually. Such evaluation is based on, among others, the achievement of profit targets, the improvement of organizational decision-making and execution capabilities, the training of key leaders, and the implementation of CSR and corporate governance. The Compensation Committee will make a proposal for such bonus and the Board of Directors will approve the same.

The said principles may be adjusted based on economic conditions, the Company's future development, and profitability and operating risks.

4. Corporate Governance Status

(1) Overview of Board of Directors Operation

The Board of Directors totally held 8 meetings in 2021.

1. The attendance records for Directors are as follows:

Title	Name	Attended in Person	Attended by Proxy	Attendance Percentage (%)	Remarks
Chairman	Yu-Lon Chiao	8	0	100%	None
Vice Chairman	Patricia Chiao	7	1	88%	None
Director	Yu-Cheng Chiao	8	0	100%	None
Director	Yu-Heng Chiao	7	1	88%	None
Director	Andrew Hsia	8	0	100%	None
Director	Wei-Shin Ma	8	0	100%	None
Director	Representative of Chin-Xin Investment Co., Ltd.: Pei-Ming Chen	8	0	100%	None
Independent Director	Ming-Ling Hsueh	8	0	100%	None
Independent Director	King-Ling Du	8	0	100%	None
Independent Director	Shiang-Chung Chen	7	1	88%	None
Independent Director	Fu-Hsiung Hu	8	0	100%	None

2. The attendance records for Independent Directors are as follows:

✓: Attended in Person; ⊙: Attended by Proxy

19 th Term	5 th Meeting January 22, 2021	6 th Meeting February 26, 2021	7 th Meeting April 9, 2021	8 th Meeting May 7, 2021
Ming-Ling Hsueh	✓	✓	✓	✓
King-Ling Du	✓	✓	✓	✓
Shiang-Chung Chen	✓	✓	✓	✓
Fu-Hsiung Hu	✓	✓	✓	✓

19 th Term	9 th Meeting June 25, 2021	10 th Meeting August 6, 2021	11 th Meeting November 5, 2021	12 th Meeting December 13, 2021
Ming-Ling Hsueh	✓	✓	✓	✓
King-Ling Du	✓	✓	✓	✓
Shiang-Chung Chen	✓	⊙	✓	✓
Fu-Hsiung Hu	✓	✓	✓	✓

Other details that need to be recorded in meeting minutes:

1. In the event of the occurrence of any of the following scenarios with the operation of the Board of Directors, the dates of meetings, session number, resolution, opinions of all Independent Directors and the Company's subsequent action in response to these opinions shall be clearly stated:

(1) Matters and items stipulated in Article 14-3 of the Securities and Exchange Act.

December 31, 2021

Board of Directors Meeting	Content of Proposal and Resolution	Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
19 th Term 5 th Meeting January 22, 2021	Proposal: Approval for the Company's 2021 annual business plan. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for the annual remuneration payable to the CPA firm and the assessment of the independence and suitability of the CPAs. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to approve the loan of funds by Walsin International Investment Co., Ltd. to the Company and those between the subsidiaries, in a total amount of US\$682 million and RMB1,127 million respectively. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to acquire additional common shares of TECO Electric & Machinery Co., Ltd. for not more than NT\$1.8 billion. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to review manager's performance as well as 2020 bonuses and compensation. Resolution: Proposal passed.	None	None	None
	Proposal: Advice on Chairman's and Vice Chairman's 2020 performance bonus. Resolution: Proposal passed. Recusal: Yu-Lon Chiao and Patricia Chiao	None	None	None
19 th Term 6 th Meeting February 26, 2021	Proposal: Advice on Company's distributions for 2020 director and employee remunerations. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to prepare the Company's management's reports on the internal control system for 2020. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to lift the non-competition ban for the Company's Directors.	None	None	None

December 31, 2021

Board of Directors Meeting	Content of Proposal and Resolution	Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Resolution: Proposal passed. Recusal: Yu-Lon Chiao and Wei-Shin Ma			
	Proposal: Proposal for Walsin Lihwa Holdings Limited to inject its capital into Walsin International Investment Co., Ltd. in the amount of US\$45 million. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for Walsin International Investment Co., Ltd. to lend the Company US\$45 million. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to issue domestic secured straight corporate bonds, in order to enhance the medium and long-term working capital and strengthen the financial structure of the Company. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for Walsin Lihwa Holdings Limited to transfer its shares in Borrego Solar Systems, Inc. to the Company and to carry out a capital reduction in the same amount. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for Walsin Specialty Steel Co., Ltd. to transfer its shares in Walsin Precision Technology Sdn. Bhd. to the Company and to carry out a capital reduction in the same amount. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for Jiangying Walsin Steel Cable Co., Ltd. to transfer its real property to Jiangyin Walsin Specialty Alloy Materials Co. Ltd. Resolution: Proposal passed.	None	None	None
19 th Term 7 th Meeting April 9, 2021	Proposal: Proposal to update the investment plan for and amount of Yantai Walsin's hot rolling production line. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for Yanshui Plant to invest in and construct the equipment for acid recycling and disposal. Resolution: Proposal passed.	None	None	None
19 th Term 8 th Meeting May 7, 2021	Proposal: Proposal to amend the Company's internal control system of financing cycle - internal control principles of stock services. Resolution: Proposal passed.	None	None	None

December 31, 2021

Board of Directors Meeting	Content of Proposal and Resolution	Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
19 th Term 9 th Meeting June 25, 2021	Proposal: Proposal to postpone the Company's 2021 annual general meeting. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal for Changshu Walsin Specialty Steel Co., Ltd. to invest in and expand the acid-washing production line and equipment. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to acquire 100% shares in New Hono Investment Pte. Ltd. , in order to acquire 42% shares in PT Walsin Nickel Industrial Indonesia, a subsidiary of the Company. Resolution: Proposal passed.	None	None	None
19 th Term 10 th Meeting August 6, 2021	Proposal: Proposal to issue domestic unsecured straight corporate bonds to repay borrowings. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to approve the loan of funds from Walsin Lihwa (China) Investment Co., Ltd. to Hangzhou Walsin Power Cable & Wire, in the amount of RMB 80 million for the period of one year. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to approve the loan of funds from the Company to PT Walsin Nickel Industrial Indonesia in the form of a US\$250 million non-revolving facility and a US\$70 million revolving facility. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to establish a Nomination Committee under the Board of Directors, to establish the Nomination Committee Charter, and to appoint the members of the Nomination Committee for the first term in accordance with Article 4 of such Charter. Resolution: Proposal passed.	None	None	None
	Proposal: Walsin Lihwa Holdings Limited, a subsidiary of the Company, intends to discontinue the transfer of its equity interest in Borrego Solar Systems, Inc. to the Company as previously approved the Board of Directors and to carry out the same amount of capital reduction.	None	None	None

December 31, 2021

Board of Directors Meeting	Content of Proposal and Resolution	Independent Directors' Opinion(s)	Company's Handling of Independent Directors' Opinion(s)	Independent Directors with Recorded or Written Opposing or Reserved Opinion(s)
	Resolution: Proposal passed by all of the directors present.			
19 th Term 11 th Meeting November 5, 2021	Proposal: Proposal to formulate the Company's 2022 Audit Plan. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to amend the Company's internal control system. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to update the Company's investment plan and investment amount for the establishment of a low-voltage construction wire and cable production line and a three-dimensional automatic warehouse at the Yangmei Plant. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to update the investment plan and investment amount of Yantai Walsin's cold-refined bar plant. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to apply for opening an escrow account and appoint OCBC Bank as the escrow agent. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to approve the new loan of funds from Walsin Info-Electric Inc. to the Company in the form of a NT\$130 million non-revolving facility. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to conduct a cash capital increase by issuing new shares. Resolution: Proposal passed.	None	None	None
19 th Term 12 th Meeting December 13, 2021	Proposal: Proposal to approve the loan of funds from Walsin International Investment Co., Ltd. to PT Walsin Nickel Industrial Indonesia in the form of a US\$250 million non-revolving facility. Resolution: Proposal passed.	None	None	None
	Proposal: Proposal to provide endorsement and guarantee for PT Walsin Nickel Industrial Indonesia. Resolution: Proposal passed.	None	None	None

(2) In addition to the foregoing, there were other matters to be resolved by directors board meetings about which an independent director expressed objections or reservations that had been included in records or stated in writing: Not applicable

2. Director recusals due to conflicts of interests totaled 2 times.

December 31, 2021

No.	Term/Meeting Date	Name(s) of Directors	Proposal	Reason for Recusal	Participated in Vote or Not
1	19 th Term 5 th Meeting January 22, 2021	Yu-Lon Chiao, Patricia Chiao	Advice on Chairman's and Vice Chairman's 2020 performance bonus	Personally interested	Recused as provided by law
2	19 th Term 6 th Meeting February 26, 2021	Yu-Lon Chiao, Wei-Shin Ma	Proposal to lift the non-competition ban for the Company's Directors	Personally interested	Recused as provided by law

3. Frequency, period, scope, method, and items of self-evaluation of the Board of Directors:

Frequency	Period	Scope	Method	Item
Once every year	2021/01/01 ~ 2021/12/31	Board of Directors	Internal self-evaluation of the Board of Directors	<ol style="list-style-type: none"> 1. Involvement in the operation of the Company. 2. Improve the quality of Board decisions. 3. Composition and structure of the board of directors. 4. Selection and Continuing Education of Directors. 5. Internal control.
Once every year	2021/01/01 ~ 2021/12/31	Functional Committees (including Compensation Committee, Audit Committee, Sustainable Development Committee, and Nomination Committee)	Internal self-evaluation of the functional committees	<ol style="list-style-type: none"> 1. Involvement in the operation of the Company. 2. Awareness of responsibilities of the functional committees. 3. Improve the quality of decision making in the functional committees. 4. Composition and selection of functional committee members. 5. Internal control.
Once every year	2021/01/01 ~ 2021/12/31	Each director	Self or peer performance evaluation of board members	<ol style="list-style-type: none"> 1. Understanding of the company's objectives and tasks. 2. Awareness of directors' responsibilities. 3. Involvement in the operation of the Company. 4. Internal relationship management and communication. 5. Professional and continuing education of directors. 6. Internal control.
Once every 3 years	2020/10/01 ~ 2021/09/30	Board of Directors and each functional committee	Evaluation by an external organization	Eight aspect of evaluation of the Board of Directors: composition, guidance, authorization, supervision, communication, self-regulation, internal control, and risk management.

4. Evaluation of achievement of enhancing the Board's performance (e.g. establishing an Audit Committee and increasing information transparency):

- (1) Formulation of regulations related to the corporate governance: In addition to explicitly stating the powers and duties of the Board of Directors in the company's articles of incorporation, the Company also follows rules and regulations including the "Board of Directors Procedural Regulations", "Guidelines for the Ethical Conduct of Directors and Managerial Officers", "Procedures for the Processing of Critical Internal Information", "Corporate Governance Principles and Practice", "Corporate Management Integrity Principles", "Behavioral Guidelines and Operation Procedures for Honest Practices", "Guidelines for the Ethical Conduct of Employees", "Rules for Suggestions and Complaints from Related Parties", and "Practical Guidelines for Corporate Social Responsibility" in order to strengthen operations of the Board of Directors as well as corporate governance. In addition, in accordance with the latest laws and regulations, the "Corporate Governance Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", "Board of Directors Meeting Regulations", "Ethical Conduct Guidelines for Directors of the Board and Managerial Officers", "Practical Guidelines for Corporate Social Responsibility", "Rules for Suggestions and Complaints from Related Parties" and "Regulations for the Evaluation of the Board of Directors' Performance" were amended and approved by the Board of Directors in 2021.
- (2) Evaluation of the Performance of the Board of Directors: To implement corporate governance and enhance the Company's board functions, and to set forth performance objectives to improve the operation efficiency of the board of directors, the Rules of Performance Evaluation of the Board of Directors (these "Rules") were established pursuant to the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and shall apply to the Board of Directors, functional committee and individual directors. These Rules were established on October 28, 2015, and the most recent amendment to them was approved by the Board of Directors on January 11, 2022. Each agenda working group shall provide a questionnaire for the board members to complete in each December and provide the completed attachments and information related to performance evaluation for the board members' reference.

The overall performance self-evaluation of our Board of Directors should cover at least the following five major aspects:

A. Regarding external evaluation:

In 2018, the Company appointed Taiwan Corporate Governance Association ("TCGA"), an independent third party with which the Company has no business dealings, to evaluate the effectiveness of its Board of Directors. The evaluation was conducted by means of questionnaires and on-site interviews on eight major aspects of the board of directors, including composition, guidance, authorization, supervision, communication and self-regulation, as well as internal control and risk management. In 2021, the Company again appointed TCGA to conduct an evaluation of the effectiveness of the Board of Directors for the period from October 1, 2020 to September 30, 2020. Through the review of the professional organization and the guidance of and communication with the evaluation members, the Company obtained professional and objective evaluation results and recommendations. The results of the evaluation were reported to the Board of Directors on January 11, 2022 and later disclosed on the Company's official website.

The measures in response to the recommendations of the external evaluation institution in 2021 are as follows:

Recommendations of External Evaluation Institution		Measures
Strengthen the whistleblower mechanism	Set up a reporting channel that Independent Directors can receive the complaints simultaneously, or	The Independent Directors will simultaneously receive complaints from the complaint mailbox set up

Recommendations of External Evaluation Institution		Measures
	engage an external agency to serve as a complaint acceptance window.	by the audit unit to facilitate direct reporting by complainants or whistle blowers.
Continue to improve the internal control system	A comprehensive review of the Company's overall internal control mechanism shall be conducted every five years.	The Company's Internal Control System has specified that the design and implementation of the internal control system will be adjusted in a timely manner in response to changes in the environment, and that the system will be adopted annually. For the purpose of continuous improvement, it should be added in the Directors' self-assessment questionnaire that the Company will annually review the effectiveness of the design and implementation of the internal control system and issue a statement on the internal control system after the approval of the Board of Directors.
Improve the quality of financial reporting audits	The Company should obtain AQI information from the certified public accountants in advance when selecting them for evaluation purposes, so as to evaluate their ability and commitment objectively to enhance the quality of the audit.	The Company evaluates the independence and suitability of the certified public accountants on an annual basis. Starting from 2022, the Company will further refer to the AQI disclosure framework released by the FSC on August 19, 2021 as a reference for the evaluation.


B. Annual internal evaluation for 2021:

The 2021 Board of Directors' performance self-evaluation results go as follows:

- (a) Board of Directors' overall average score 4.85 points (full score: 5 points)
- (b) Board members' overall average score 4.94 points (full score: 5 points).

In December 2021, the Company conducted an internal annual board performance evaluation of the board of directors, individual board members and functional committees in accordance with the evaluation indicators and evaluation procedures specified in these Rules, and compiled and scored the data after the questionnaires were collected, and made recommendations for improvement in 2021. This year, the Company has made recommendations for improvement in the level of Directors' participation in the Company's operations, as well as the follow-ups on the recommendations made by an external evaluation institution in 2021, both of which were consolidated and reported to the Compensation Committee on January 7, 2022 and the Board of Directors' meeting on January 11, 2022, the details of which were disclosed on the Company's website.

- (3) Implementing the performance evaluation of the functional committees: In accordance with the "Regulations for the Evaluation of the Performance of the Board of Directors (including Functional Committees) and their Remunerations" formulated by the Compensation Committee based on the latest



version published by the Competent Authority, our functional committees' members in December every year evaluate themselves by the assessment indicators to measure the corporate leadership strategic directions and oversee the corporate operational performance in an effort to improve shareholders' long-term value.

- (4) Actively participating in corporate governance: In recent years, the Company has actively participated in the promotion of the corporate governance and the transparency in information disclosure. Walsin Lihwa was listed as the top 5% outstanding companies by four consecutive times of Corporate Governance Evaluation from 2017 to 2020 (as of the date of publication hereof, the results of the 2021 Annual Corporate Governance Review have not yet been published). The Company also received the Top 50 Sustainable Business Award for the fourth consecutive year and the Platinum Corporate Sustainability Report Award for the second time. The Company will continue making efforts to maintain among the top with respect to the Corporate Governance Evaluation Results. The Company not only will continue to strive to actively participate in the corporate governance evaluation, but also has formed a project to improve corporate governance matters and enhance corporate governance capabilities.

The Company is committed to enhancing the transparency of information. In addition to announcing financial information in accordance with laws and regulations, the Company also holds regular investor conferences four times a year. Taking the initiative to solicit a credit rating in 2021, on August 6, 2021, the Company was granted a long-term credit rating of 'twA-' and a short-term credit rating of 'twA-2' with a 'stable' outlook by Taiwan Ratings for the first time. The Company's financial structure was certified by an external organization, and the disclosure of information to stakeholders was also enhanced through the external release of credit ratings.

- (5) Enhancing the board's functions and decision-making quality: In order to bring into play the functions and decision-making quality of the Board of Directors, our company regularly holds strategic meetings on a quarterly basis to enable the directors to understand our financial and business conditions and the formulation of major business strategies and the implementation of related plans. In addition, quarterly operational meetings are also held to help directors understand the operational content through reporting by operating units, so as to improve the performance of the Board of Directors. In the meantime, the directors may provide their effective guidance out of their expertise and experience to the operating units during such meetings.
- (6) Heavy reliance on the independent directors' functions: Authorizing independent directors to utilize their own expertise and regularly participate in our company's investment assessment projects and matters relevant to corporate governance. The Audit Committee was formally established by all independent directors after the shareholders' meeting on May 26, 2017, and the Audit Committee of the second term was formed by all independent directors on May 29, 2020; the Compensation Committee of the fourth term was established on August 4, 2020, with all independent directors acting as its members. On November 1, 2019, the Board of Directors resolved to establish the Sustainable development committee, with the Chairman, Vice Chairman and all independent directors serving as its members. On August 4, 2020, the Chairman, Vice Chairman and all independent directors were appointed as members of the Sustainable development committee of the second term of the Company. The first Nomination Committee was formally established on August 6, 2021, with the Chairman and all Independent Directors acting as its members. These four functional committees continue to assist the Board of Directors in its oversight responsibilities.
- (7) Raising the transparency of corporate data: On the MOPS and our official website, we voluntarily disclose the related law and regulations which we follow, the important resolutions adopted at Board meetings and the relevant information to help shareholders understand our activities and to raise transparency in our corporate information.

(II) Operation of the Audit Committee

1. The major matters reviewed by the Audit Committee include:

- (1) Adoption of or amendment to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) Adoption of or amendment to procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of loans to others, or endorsements or guarantees for others, pursuant to Article 36-1 of the Securities and Exchange Act.
- (4) Matters bearing on the personal interest of a director.
- (5) Material asset or derivatives transactions.
- (6) Material loans, endorsements, or provision of guarantees.
- (7) The offering, issuance, or private placement of any equity-type securities.
- (8) The engagement or dismissal of a CPA, or the compensation given thereto.
- (9) The appointment or discharge of a financial, accounting, or internal auditing officer.
- (10) Annual financial reports signed or sealed by the Chairman, manager and accounting officer.
- (11) Any other material matter so required by the Company or the Competent Authority.

2. Audit Committee's Annual Work Summary:

- (1) Agenda arrangement (for Audit Committee meetings and communication meetings)
- (2) Handling matters related to the meeting of the Audit Committee in accordance with the law (meeting notice, proceedings)
- (3) Follow-ups and execution of improvements requested by the Audit Committee
- (4) Providing company information required by independent directors to assist them in fully exercising their powers
- (5) Annual self-assessment of the Audit Committee
- (6) Establishing and revising the organizational regulations and relevant operating procedures
- (7) Announcement of relevant matters concerning the Audit Committee pursuant to law (organizational regulations and operational status)
- (8) Whether any employee, manager and director has entered into related-party transactions and possible conflicts of interest in such transactions
- (9) Suggestions and complaints from interested parties
- (10) Management of exchange rate risks
- (11) Information Security
- (12) Work safety/environmental protection and legal compliance

3. The Audit Committee of the second term started on May 29, 2020 and ended on May 28, 2023. The meetings were held 9 times in 2021, and the attendance of the independent directors in 2021 is as follows:

Title	Name	Personally Attended	Attended by Proxy	Attendance rate (%)	Remarks
Convener	Ming-Ling Hsueh	9	0	100%	
Member	King-Ling Du	9	0	100%	
Member	Shiang-Chung Chen	8	1	89%	
Member	Fu-Hsiung Hu	9	0	100%	

4. Other matters that need to be recorded in meeting minutes:

(1) If any of the following circumstances occurs during the operation of the Audit Committee, the Board meeting date, meeting number, the proposal contents, the resolution of the Audit Committee and our company's handling of the Audit Committee's opinions shall be clearly described.

A. Items listed in Article 14-5 of the Securities and Exchange Act:

December 31, 2021				
Audit Committee Meeting Number and Date	Board of Directors Meeting Number and Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
2 nd Term 6 th Meeting January 13, 2021	19 th Term 5 th Meeting January 22, 2021	Proposal: Approval for the Company's 2021 annual business plan. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for the annual remuneration payable to the CPA firm and the assessment of the independence and suitability of the CPAs. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the loan of funds by Walsin International Investment Co., Ltd. to the Company and those between the subsidiaries, in a total amount of US\$682 million and RMB1,127 million respectively. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to acquire additional common shares of TECO Electric & Machinery Co., Ltd. for not more than NT\$1.8 billion. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
2 nd Term 7 th Meeting February 19, 2021	19 th Term 6 th Meeting February 26, 2021	Proposal: Approval for the Company's 2020 business report and financial statements. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Approval for the affiliates' 2020 consolidated business report and financial statements. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Approval for the Company's 2020 profit distribution plan. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Approval for the Company's 2020 statement on internal control system. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to lift the non-competition ban for the Company's Directors under Article 209 of the Company Act. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Walsin Lihwa Holdings Limited to inject its capital into Walsin International Investment Co., Ltd. in the amount of US\$45 million. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Walsin International Investment Co., Ltd. to lend the Company US\$45 million. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.

Audit Committee Meeting Number and Date	Board of Directors Meeting Number and Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
2 nd Term 7 th Meeting February 19, 2021	19 th Term 6 th Meeting February 26, 2021	Proposal: Proposal to issue domestic secured straight corporate bonds, in order to augment the Company's mid- to long-term working capital and strengthen its financial structure. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Walsin Lihwa Holdings Limited to transfer all of its shares in Borrego Solar System, Inc. to the Company at a fair price and to carry out a capital reduction in the same amount. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Walsin Specialty Steel Co., Ltd. to transfer all of its shares in Walsin Precision Technology Sdn. Bhd. to the Company at a fair price and to carry out a capital reduction in the same amount. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Jiangying Walsin Steel Cable Co., Ltd., one of the Company's subsidiaries, to sell all of its real property to Jiangyin Walsin Specialty Alloy Materials Co. Ltd., one of the Company's subsidiaries, at a transaction price of RMB62.57 million. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
2 nd Term 8 th Meeting April 7, 2021	19 th Term 7 th Meeting April 9, 2021	Proposal: Proposal to update the investment plan for and amount of the hot rolling production line of Yantai Walsin Stainless Steel Co., Ltd. Resolution: Proposal passed. Ancillary Resolution: Auditor should include the implementation of this investment project in the annual audit plan.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Yanshui Plant to invest in and construct the equipment for acid recycling and disposal. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
2 nd Term 9 th Meeting April 26, 2021	19 th Term 8 th Meeting May 7, 2021	Proposal: Proposal to amend the Company's internal control system of financing cycle - internal control principles of stock services. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.

Audit Committee Meeting Number and Date	Board of Directors Meeting Number and Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
2 nd Term 10 th Meeting June 25, 2021	19 th Term 9 th Meeting June 25, 2021	Proposal: Proposal to acquire 100% shareholding in New Hono Investment Pte. Ltd. in order to acquire 42% shareholding in PT Walsin Nickel Industrial Indonesia, one of the Company's subsidiaries. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal for Changshu Walsin Specialty Steel Co., Ltd. to invest in and expand the acid-washing production line and equipment. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
2 nd Term 11 th Meeting July 28, 2021	19 th Term 10 th Meeting August 6, 2021	Proposal: Proposal to issue domestic unsecured straight corporate bonds to repay borrowings. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the loan of funds from Walsin Lihwa (China) Investment Co., Ltd. to Hangzhou Walsin Power Cable & Wire, in the amount of RMB 80 million for the period of one year. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the loan of funds from the Company to PT Walsin Nickel Industrial Indonesia in the form of a US\$250 million non-revolving facility and a US\$70 million revolving facility. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
2 nd Term 13 th Meeting October 25, 2021	19 th Term 11 th Meeting November 5, 2021	Proposal: Proposal to formulate the Company's 2022 Audit Plan. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to amend the Company's internal control system. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to update the Company's investment plan and investment amount for the establishment of a low-voltage construction wire and cable production line and a three-dimensional automatic warehouse at the Yangmei Plant. Resolution: Proposal passed with amendments to certain wording.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to update the investment plan and investment amount of Yantai Walsin's cold-refined bar plant. Resolution: Proposal passed with amendments to certain wording.	None	All of the Directors present approved the proposal unanimously.

Audit Committee Meeting Number and Date	Board of Directors Meeting Number and Date	Proposals and Resolutions	Independent Directors' Dissenting Opinions, Reservations or Significant Recommendations	Company's Handling of Audit Committee Member's Opinion
2 nd Term 13 th Meeting October 25, 2021	19 th Term 11 th Meeting November 5, 2021	Proposal: Proposal to approve the new loan of funds from Walsin Info-Electric Inc. to the Company in the form of a NT\$130 million non-revolving facility. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
2 nd Term 14 th Meeting December 13, 2021	19 th Term 12 th Meeting December 13, 2021	Proposal: Proposal to conduct a cash capital increase by issuing new shares. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to approve the loan of funds from Walsin International Investment Co., Ltd. to PT Walsin Nickel Industrial Indonesia in the form of a US\$250 million non-revolving facility. Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.
		Proposal: Proposal to provide endorsement and guarantee for PT Walsin Nickel Industrial Indonesia Resolution: Proposal passed.	None	All of the Directors present approved the proposal unanimously.

B. Except for the foregoing items, the items that were not approved by the Audit Committee but were resolved by more than two-thirds of all directors: No such situation.

(2) Independent directors recusing themselves from conflicts of interest: None.

(3) Communication between independent directors, the chief internal auditor and CPAs (which should include major events, methods, results, etc. as regards our Company's financial and business conditions):

A. Communication policy between independent directors, chief internal auditor and CPAs:

- (A) The CPAs are invited to attend Audit Committee meetings at least twice a year and to report to the Audit Committee on the review or audit results of our Company's and its affiliates' financial statements and the internal control audit status. The CPA shall fully communicate any material adjustments to entries or any amendments to laws and regulations.
- (B) If necessary, a communication meeting may be called at any time with the CPAs.
- (C) The chief internal auditor shall meet with the independent directors regularly in Audit Committee meetings at least once a quarter to report on the internal audit implementation of our Company and the internal control operations. In case of major irregularities, the meeting may be called at any time.
- (D) The convener of the Audit Committee shall discuss the internal audit operation with the chief internal auditor every quarter non-periodically aside from the above regular meetings.

B. Summary of communications between independent directors and CPAs for 2021:

Independent directors have good communication with CPAs individually.

Date	Communication Highlights	Directors' Recommendation	Execution Result
2021/02/19 Audit Committee Meeting	The CPAs have provided a description of the key audits of the stand-alone and consolidated financial statements for the year 2020 and the results of the audit.	None.	The stand-alone and consolidated financial statements for the year 2020 were approved by the Audit Committee and submitted for discussion at the 6 th meeting of the Board of Directors of 19 th term on February 26, 2021.

Date	Communication Highlights	Directors' Recommendation	Execution Result
2021/07/28 Audit Committee Meeting	The CPAs provide an explanation of the audit results of the consolidated financial statements for the second quarter of 2021.	None.	The consolidated financial statements for the second quarter of 2021 were approved by the Audit Committee and reported to the 10 th meeting of the Board of Directors of 19 th term on August 6, 2021.
2021/12/13 Individual Communication Meeting	The CPAs explained the scope, method and discovery of the annual audit for 2021 and discussed with the Audit Committee members on the key audit matters.	We asked our CPAs to pay particular attention to the valuation of assets, significant investment transactions, and internal control and compliance with laws and regulations of our offshore subsidiaries.	<ol style="list-style-type: none"> 1. Key audit matters for the 2021 financial statements were confirmed. 2. The engagement and assessment of the CPAs was submitted to the 15th meeting of the Audit Committee of second term on January 7, 2022 for discussion.

C. Summary of communications between independent directors and the chief internal auditor for 2021:

Date	Key Points of Communications	Independent Directors' Advice	Follow-Ups and Results
2021/02/19 Audit Committee Meeting	Report on audit implementation in the 4th quarter of 2020.	Most of the environmental safety issues which the Company was punished for or instructed to improve by the competent authorities were mostly attributable to the Stainless Steel Business Group; therefore, we asked President of the business group to pay attention to the improvement on these issues.	The chief audit executive forwarded the improvement suggestions given by the Independent Directors to President of the Stainless Steel Business Group for reference for the purpose of improvement.
2021/07/28 Audit Committee Meeting	Update on the investment project for and investment amount of Yantai Plant.	The Auditing Office was requested to include the implementation of Yantai Plant investment project in its annual audit plan.	The implementation of Yantai plant investment project has been included in the 2021 audit plan.
2021/04/26 Audit Committee Meeting	Report on audit implementation in the 1st quarter of 2021.	<ol style="list-style-type: none"> 1. External industrial safety experts reminded that industrial safety needs to be strengthened in Yanshui and Taichung Plants; therefore, the responsible supervisors should pay attention to it. 2. Please make sure the employees implement SOPs and the outsourcing units 	President has discussed with the supervisors of the production and environmental safety units in the plants to review the causes of occupational accidents over the years and to summarize the improvement measures.

Date	Key Points of Communications	Independent Directors' Advice	Follow-Ups and Results
		should monitor the construction of contractors.	
2021/07/28 Audit Committee Meeting	Report on audit implementation in the 2nd quarter of 2021.	Nil.	The report on audit implementation for the second quarter of 2021 has been passed by the Audit Committee and reported to the Board of Directors.
2021/10/25 Audit Committee Meeting	<ol style="list-style-type: none"> Report on audit implementation in the 3rd quarter of 2021. Discussion of 2022 annual audit plan. Formulation of the Procedures for Communications between Independent Directors and the Chief Audit Executive. 	<ol style="list-style-type: none"> Nil. Please include the meeting operation of the Nominating Committee in the audit plan. Nil. 	<ol style="list-style-type: none"> Report on audit implementation in the 3rd quarter of 2021 has been passed by the Audit Committee and reported to the Board of Directors. 2022 annual audit plan has included the meeting operation of the Nominating Committee and been passed by the Audit Committee and submitted to the Board of Directors for discussion. The Procedures for Communications between Independent Directors and the Chief Audit Executive have been passed by the Audit Committee and submitted to the Board of Directors for discussion.
2021/12/13 Individual Communication Meeting	<ol style="list-style-type: none"> Major work results in 2021. Work objectives and key points for 2022. The recommendation made by the Taiwan Corporate Governance Association in its report on the evaluation of the performance of the Board of Directors of the Company on November 30, 2021. 	<ol style="list-style-type: none"> Nil. Nil. Please set up a compliant mailbox so that the Independent Directors may receive complaints instantaneously. 	<ol style="list-style-type: none"> Nil. Nil. A compliant mailbox has been set up so that the Independent Directors may receive complaints instantaneously.

(3) Differences between our corporate governance and the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies and reason(s):

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
1. Has the company set and disclosed the principles for practicing corporate governance according to the Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies?	Yes		The Company has formulated the Corporate Governance Principles and Practice according to the "Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies", which were amended as approved by the Board of Directors in 2021 and were disclosed on the Company's website. https://www.walsin.com/wp-content/uploads/2021/08/rule13TC_20210416.pdf	In line with the Corporate Governance Best-Practice Principles for TWSE- TPEX-listed Companies
2. The Company's ownership structure and shareholders' equity				
(1) Has the company implemented a set of internal procedures to handle shareholders' suggestions, queries, disputes and litigations?	Yes		(1) Our Shareholders Service & Contact Office is in charge of handling various shareholder recommendations, queries and disputes. The Company also provides related contact details on the Company's website and in the annual report and has set up a stakeholder mailbox to collect stakeholders' questions and suggestions.	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.
(2) Has the company had a list of major shareholders who actually control the company or a list of ultimate controller of such shareholders?	Yes		(2) The Company periodically discloses the list of ultimate controllers of its principal shareholders pursuant to the laws and regulations.	
(3) Has the company established and implemented risk control/management and firewall mechanisms between the company and its affiliated firms?	Yes		(3) 1. The Company has drafted rules governing the supervision of its subsidiaries, which have been approved by the Board. 2. All of the Company's affiliates are subsidiaries; the Company directly or indirectly retains at least 50% of their shares. Business dealings with affiliates are treated as transactions with third parties. 3. The Company has drawn up rigorous rules governing the lending, the endorsement/ guarantees as well as the management of disposal/acquisition of assets and derivatives transactions to/for/with its affiliates.	
(4) Has the company set internal regulations that prohibit the company's personnel from taking	Yes		(4) In order to establish an effective handling and disclosure mechanism for major internal information processing operations, so that unauthorized information leakage can be avoided, consistency and	

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
advantage of information that has not been disclosed to the public to purchase or sell securities?			<p>accuracy of information disclosed by the Company to the public can be maintained and insider trading can be prevented, the Company has established the "Procedures for Major Internal Information Processing Operations," for observation by all. In addition, the Company has made available copies of such procedures to the Company's Directors, incorporated them in the Company's internal regulations and uploaded an electronic copy to the Company's electronic bulletin board for the perusal by all managerial officers and employees at any time. The Company's Directors' and Managerial Officers' Code of Ethical Conduct was amended on August 4, 2020. Such codes are regulations pertaining to the prohibition of insider trading pursuant to the Company's internal regulations and the Securities and Exchange Act. These codes are incorporated in the Company's internal regulations and uploaded as an electronic copy to the Company's electronic bulletin board for the perusal by relevant personnel.</p> <p>In December 2021, the Company conducted educational training and awareness-raising for directors and managers (and other managers above such levels) on "education on insider trading prevention", which strengthened directors' and managers' compliance with the regulations prohibiting insider trading and included an enhanced education regarding the period of prohibited trading by directors prior to the publication of financial statements on December 21, 2021 pursuant to a letter from the TPEX; in addition, some educational and awareness-raising articles on compliance with the regulations prohibiting insider trading were published on the Company's internal education and training platform "Walsin Lihwa College", so that all managers may read and understand information related to ethical management. Such information has been disclosed on the Company's website.</p>	
<p>3. The composition and duties of the Board</p> <p>(1) Has the Board of Directors devised a policy and concrete management objectives</p>	Yes		<p>(1) In accordance with Article 20 of the Company's Corporate Governance Best Practice Principles and the "Principles of Election of Board Members and Managers and Guidelines for Continuing Education and</p>	In line with the Corporate Governance Best-Practice Principles for TWSE- and

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
for a more diverse composition of the Board? If so, has the plan been implemented?			<p>Succession Planning" established by the Company in November 2021, the Board of Directors will implement the objectives of diversity and independence in terms of expertise, experience and gender required for Board members, and will continue to invite appropriate candidates to join the Board of Directors in accordance with the above objectives in order to strengthen the balance of the Board of Directors in response to the Company's development strategies and changes in the internal and external environment. In order to achieve the desired objectives of corporate governance, the Board of Directors of the Company is composed of members from the management team, managers of relevant industries and professionals with financial, business and accounting backgrounds, who effectively perform the duties of Board members with different fields and work backgrounds. These duties include establishing and maintaining the Company's vision and values, assisting in promoting corporate governance and strengthening management, overseeing and evaluating the implementation of management policies and operational plans, and being responsible for the Company's overall economic, social, and environmental operations to enhance corporate governance and corporate value from the perspective of stakeholders.</p> <p>The Company has a total of 11 Directors, including 4 Independent Directors (36%). Independent Directors were re-elected for fewer than 3 terms. Among the Directors, 5 are aged 65 years and older, 5 are aged 55 to 64, and 1 are under 55 years old. In order to implement Taiwan's gender equality policy, increase women's participation in decision-making and improve the structure of the Board of Directors, the Company's Board of Directors also includes two female directors (18%).</p> <p>The Company has built its strength by being focused on the wire and cable, stainless steel, commodity, and commercial real estate fields and become a model of business excellence moving towards the manufacturing service industry. If we look at the list of directors of the Company, Yu-Lon Chiao, Chairman, has been working in the business field of the Company for</p>	TPEX-listed Companies.

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
			<p>a long time and has a good understanding of the operation and development of the industry, with an open-minded leadership style that encourages adoption of suggestions; Director Yu-Cheng Chiao and Director Yu-Heng Chiao have joined the management team of the Company and therefore are familiar with the organization and business operation of the Company and are good at operation management; Andrew Hsia, Director, comes from a diplomatic background with an international perspective and therefore has a good grasp of the conditions of the Southeast Asian market and can fully assist the Company in making relevant investment decisions; Director Pei-Ming Chen's work experience is focused on semiconductor business, and he has participated in many mergers and acquisitions and international business integration and therefore has operational management experience and expertise. As for the two female Directors, Director Patricia Chiao specializes in operational management, investment judgment and human resources, while Director Ma Wei-Shin specializes in technology leadership, operational judgment and operational management. The Company's Independent Directors have industry knowledge and an international market perspective, with Independent Director Ming-Ling Hsueh specializing in finance, accounting and corporate governance, Independent Director Fu-Hsiung Hu having expertise and experience in business administration, finance and securities, and credit information, Independent Director King-Ling Du having extensive steel expertise and being familiar with the development and management of the stainless steel industry, and Independent Director Shiang-Chung Chen specializing in intelligent technology leadership with a good grasp of the development of Industry 4.0. The Company attaches importance to the diversity of the composition of the Board of Directors. The target of more than 15% of directorships being held by women is currently 18%; therefore, the implementation thereof exceeds the target. The target number of independent directors is three in accordance with the law; however, the Company values corporate governance and thus has four</p>	

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
(2) In addition to establishing a Compensation Committee and an Audit Committee, which are required by law, is the company willing to also voluntarily establish other types of functional committees?	Yes		<p>independent directors (one in excess of the statutory target), accounting for 36% of all directors of the Company.</p> <p>The elite directors of the Company were selected from the industry to participate in major investment projects related to the Company's business, assist the Company's financial, accounting and corporate governance businesses according to their expertise, and assist the Company in making favorable decisions through their diverse experience, which gives rise to extensive and professional advice.</p> <p>Diversification of the Board of Directors' members has been implemented as shown in Note 2.</p> <p>(2) In addition to the committee established according to the laws, the Company further set up the Sustainable Development Committee and the Nomination Committee.</p> <p>1. On November 1, 2019, the 17th meeting of the Board of Directors of the 18th term resolved to establish the Sustainable Development Committee, in which the Chairman acts as the convener, and Vice-Chairman and all Independent Directors act as the members, and under which ethical management, environmental safety and health management, green operations, customer service and suppliers management and promotion and employee relations and social care promotion centers were established. The Sustainable Development Committee reviews the annual plans of each promotion center, monitors and tracks the implementation results of each promotion center, and revises its charter.</p> <p>2. The Nomination Committee was established by the resolution of the 10th Board of Directors Meeting of the 19th Term on August 6, 2021, with Independent Director Fu-Hsiung Hu as the convener and the Chairman and the remaining three independent directors as members. The duties of the Nomination Committee include setting standards for the diversity of expertise, experience, gender and independence required of Board members, and identifying, reviewing and nominating candidates for election as directors.</p>	

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
(3) Has the company established methods for appraising the performance of the Board of Directors as well as actual procedures for executing the appraisals? If so, has the company executed appraisals of the performance of the Board annually? Are the results of the performance evaluations reported to the Board of Directors and used as a reference for individual directors' remuneration and nomination for reappointment?	Yes		<p>(3) In order to improve our corporate governance, the Company's Regulations for the Board of Directors' Performance Appraisal stipulates that the Board of Directors of the Company shall conduct a performance evaluation at least once a year using questionnaires for self-evaluation, that the performance evaluation of the Board of Directors shall be conducted at least once every three years by an external professional and independent organization or a team of external experts and scholars, and that the performance evaluation of the current year shall be conducted at the end of the year, so as to measure the directors' strategic direction in leading the Company and to oversee the operation of the Company's management in order to provide board performance and increase long-term shareholder value.</p> <p>The Company engaged the Taiwan Corporate Governance Association in September 2021 for the second time to evaluate the effectiveness of the Company's Board of Directors, and the Company obtained professional, objective evaluation results and suggestions through the guidance of, and idea exchanges with, the evaluation members. Such results and suggestions then have been reported to the Board of Directors on January 11, 2022, and used as a reference in the compensation of individual directors and nominations for reappointment.</p> <p>The Company conducted its own internal evaluation for 2021 in December 2021 and reported to the Board of Directors on January 11, 2022. The result has been published on the Company's website, and the results of these evaluations will be used as a reference in individual directors' compensation and nominations for reappointment, for the purpose of continuous refinement and optimization of the functions of the Board of Directors.(Note 3)</p>	
(4) Has the company periodically evaluated the level of independence of the CPA?	Yes		<p>(4) Before we appoint a new CPA annually, its independence and competency shall be examined by the Audit Committee and Board of Directors for approval by resolution. In addition, we request the CPA to provide an "Impartiality and Independence Statement" each year. We have to confirm that except</p>	

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
			for the expenses paid to the CPA for certifying our financial statements and for handling certain financial, tax affairs, we have no other business dealings with the CPA and that their family members have not violated the independence requirements. Only after such confirmation, will we consider the CPA's appointment and the relevant expenses. Items for assessment of the CPA's independence are shown as Note 4.	
4. Has the TWSE- or TPEX-listed company designated a proper number of competent staff in charge of the corporate governance-related affairs (including but not limited to providing information for the Directors and Supervisors to execute their duties, assisting the Directors and Supervisors with legal compliance, handling the affairs related to the Board meetings and the Shareholders Meeting as prescribed by law, preparing the minutes of the Board meetings and the Shareholders Meeting, etc.)?	Yes		<p>1. The Company appointed a Head of Corporate Governance as resolved by the Board of Directors on June 12, 2019. The key responsibilities of the Head of Corporate Governance include the meeting affairs in connection with board meetings, preparation of such meetings' minutes, assistance for Directors with the onboarding and continuing education, provision of information required for the business execution by Directors, assistance for Directors with legal compliance and other matters set out in the Articles of Incorporation of the Company or contracts.</p> <p>2. Vice President of the Company, Hueiping Lo, is currently the Head of Corporate Governance. She has more than three years of experience as a financial officer of a public company and meets the statutory qualifications as the head of corporate governance.</p> <p>3. On June 12, 2019, the Company's Board of Directors also resolved to approve the "Standard Operating Procedures for Handling Directors' Requests" (which was lastly updated on April 9, 2021) pursuant to the rules, through the establishment of which the Directors have appropriate operating procedures for handling information necessary for the performance of their business.</p> <p>4. The business execution for the year 2021 are explained as follows:</p> <ol style="list-style-type: none"> i. To manage the meetings of the Board of Directors and related committees, and to strengthen the procedures of meetings and recusal of interests. ii. To provide the directors with the information necessary for the execution of their business within the statutory period, to remind the directors of the relevant laws and regulations that they should 	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
			<p>comply with in the execution of their business or after the resolution of the board of directors, and to follow up on the situation and progress of the recommendations or opinions of the directors after the meeting.</p> <p>iii. To revise and amend the important regulations of the Company by adapting to the latest laws and regulations related to the Company's business field and corporate governance, including amendments to the Company's Articles of Incorporation, Board of Directors Meeting Regulations, Corporate Governance Best Practice Principles, Standard Operating Procedures for Processing Requests Made by the Directors of the Board, Regulations Governing Board Performance Evaluation, Procedures for Ethical Management and Guidelines for Conduct, etc. and formulation of the Nomination Committee Charter.</p> <p>iv. Based on the characteristics of the industry where the Company is operating, to handle matters related to directors' further education and regularly forward information on relevant external further education programs to assist directors in implementing the diversified education mechanism. (Note 5)</p> <p>v. To provide directors with the necessary corporate information, maintain smooth communication between directors and business executives, and assist in arranging communication meetings between independent directors and the chief audit executive and accountants to facilitate the execution of business by independent directors.</p> <p>vi. To conduct performance evaluations of the Board of Directors and functional committees.</p> <p>vii. To conduct the 2021 external performance evaluation of the Board of Directors.</p>	
5. Has the company established channels for communicating with interested parties (including but not limited to shareholders, employees, customers, suppliers, etc.), set up a dedicated interested parties area on the company's website, as well	Yes		1. The Company has been maintaining open communication channels with interested parties that include customers, shareholders, banks it has business dealings with, employees, suppliers, communities, competent authorities, or persons so connected with the Company. Communication channels can be found on the Company's internal and external websites as well as in its annual reports, to facilitate understanding of the Company's CSR issues that interested parties are	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
as appropriately responded to important CSR issues that interested parties are concerned about?			<p>concerned about, so that appropriate responses can be made.</p> <p>2. The Company has amended in 2020 the "Procedures for Interested Parties to Submit Complaints and Recommendations", through which interested parties can communicate with the Company's supervisory unit directly, propose constructive advice and file complaints.</p> <p>3. The Company has a contact channel on its website designated to stakeholders; a mailbox also exists on the employee portal site, thus providing internal and external personnel with a means to make suggestions and file complaints to the Company. Information received shall be handled by the Auditing Office.</p> <p>4. The Company regularly reports to the Board of Directors on its communications with various interested parties on an annual basis starting from 2019. The communications in 2021 have been reported to the Board of Directors at the board meeting on November 5, 2021. Details of both communications were disclosed on the Company's website: https://www.walsin.com/wp-content/uploads/2021/12/110Stakeholder-Engagement_2021.pdf.pdf</p>	
6. Has the company appointed a professional shareholders service agency to handle affairs related to the Shareholders Meeting?		No	The Company has handled such affairs by itself since March 1993.	Such matters are handled by the Company's shareholder service. Matters related to shareholders' meetings are conducted in accordance with the Company's Articles of Incorporation and laws and regulations, so that shareholders' meetings are convened in a legal, valid and safe fashion.

Appraisal Items	Actual Governance (Note 1)		Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)	
	Yes	No		
<p>7. Information disclosure</p> <p>(1) Has the company established a corporate website to disclose information regarding the company's financial, business and corporate governance statuses?</p> <p>(2) Has the company adopted other ways to disclose information (e.g., maintaining an English-language website, appointing responsible people to handle corporate information collection and disclosure, appointing spokespersons, webcasting investor's conferences, etc.)?</p> <p>(3) Does the Company announce and report its annual financial report within two months after the end of the fiscal year, and announce and report its first, second and third quarter financial report and operations for each month well in advance of the required deadline?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>No</p>	<p>(1) Please visit Walsin Lihwa Corporation's Chinese/English website: http://www.walsin.com</p> <p>(2) The Company has a dedicated department for collecting its information and periodically updating its website. The Company has implemented one-spokesperson policy. It has also established the "Procedures for Major Internal Information Processing Operations" that requires management as well as employees to properly keep financial as well as business secrets. We also require that personnel follow the "Corporate Governance Principles and Practices". Any change of our spokesperson or deputy spokespersons shall immediately be made public. The Company's website regularly discloses major announcements, transactions with key stakeholders and investors conferences at: https://www.walsin.com/investors/shareholder/#pills-important-announcement</p> <p>(3) 1. In order for investors to obtain adequate and accurate financial information in a timely manner, the Company's annual financial report is submitted to the Audit Committee and the Board of Directors for approval within two months after the end of the year, and the financial report is announced on the Market Observation Post System on the date of approval by the Board of Directors; the financial report for the first, second and third quarter is submitted to the Audit Committee and the Board of Directors for approval one week before the statutory announcement deadline, and the financial report is announced on the Market Observation Post System on the date of report to the Board of Directors.</p> <p>2. The Company's operations for each month are also fully disclosed on the Company's website and the Market Observation Post System before the statutory deadline.</p>	<p>In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.</p>

Appraisal Items	Actual Governance (Note 1)			Deviations from Corporate Governance Best-Practice Principles for TWSE-/ TPEX-listed Companies and Reason(s)
	Yes	No	Summary Description	
8. Has the company had other information that is helpful for understanding the status of corporate governance (including but not limited to employee rights and interests, investor relations, supplier relations, rights of interested parties, further education sought by Directors and Supervisors, implementation of risk management policies and risk evaluation standards, implementation of customer policies, the taking out of liability insurance for Directors and Supervisors)?	Yes		<p>1. Refer to "III. Corporate Governance Report, 4. Corporate Governance Operations, (6) Promotion and Implementation of Sustainable Development and differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor" and "(7) Performance of ethical operations and differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor" of this year's Annual Report for information concerning employee rights and interests, employee care, investor relations, supplier relations, rights of interested parties, and the implementation of the customer policies.</p> <p>2. Please refer to "III. Corporate Governance Report, 4. Corporate Governance Operations, (9) Other important information helpful for improving understanding of the governance of the company" and "VII. Review and Analysis of Financial Position and Financial Performance and Risk Issues, 6. Risk Analysis and Assessment for the Latest Year and up to the Date of Printing of the Annual Report" for the information regarding the implementation of directors' continuing education, risk management policies and risk measurement standards.</p> <p>3. The Company's purchase of liability insurance for directors has been disclosed to the Market Observation Post System.</p>	In line with the Corporate Governance Best-Practice Principles for TWSE- and TPEX-listed Companies.
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>1. With respect to the 2020 Corporate Governance Evaluation results, our improvements in 2021 are as follows: Appointed a Head of Corporate Governance .Quarterly institutional investor meetings were held to increase the level of information disclosure and certification of annual carbon dioxide or other greenhouse gas emissions.</p> <p>2. Improvement Priorities and Measures: The Company established a Nomination Committee in 2021 and established the "Guidelines for the Election of Members of the Board of Directors and Managerial Officers and for Further Training and Succession Planning", which specifies the diversity policy and independence standards for directors, and the Company will explore possible candidates for directors based on the criteria of these guidelines and review them before the next election of directors.</p>	

Note 1: The Company shall provide explanations in the summary description box, regardless of whether actual governance is ticked "Yes" or "No."

Note 2: Diversification of the Board of Directors' members has been implemented as follows.

Title	Name	Gender	Diversification items										
			Administrative management	Leadership and Decision-Making	Industry knowledge	Finance / accounting and law	Industrial technology	Marketing	Procurement	International Commerce and Trade	Information technology	Renewable energy and environmental protection	
Chairman	Yu-Lon Chiao	M	✓	✓	✓	✓	✓	✓	✓				
Vice Chairman	Patricia Chiao	F	✓	✓	✓			✓	✓				
Director	Yu-Cheng Chiao	M	✓	✓	✓	✓	✓				✓	✓	
Director	Yu-Heng Chiao	M	✓	✓	✓	✓	✓				✓		
Director	Andrew Hsia	M	✓	✓	✓	✓				✓			
Director	Pei-Ming Chen	M	✓	✓	✓		✓	✓			✓	✓	
Director	Wei-Shin Ma	F	✓	✓	✓	✓		✓		✓	✓		
Independent Director	Ming-Ling Hsueh	M	✓	✓	✓	✓				✓	✓		
Independent Director	King-Ling Du	M	✓	✓	✓		✓	✓	✓				✓
Independent Director	Shiang-Chung Chen	M	✓	✓	✓			✓	✓	✓	✓		
Independent Director	Fu-Hsiung Hu	M	✓	✓	✓	✓				✓	✓		

Note 3: No more than 1% of the earnings of the Company for a given year may be distributed to its directors and managers as their remuneration for such year in accordance with Paragraph 1, Article 25 of the Company's Articles of Incorporation. In order to regularly assess the remuneration of directors and managers, directors and managers are remunerated according to their degree of participation in the Company's operations and personal performance, and in accordance with the Company's "Rules Governing the Compensation of Directors and Functional Members" and "Rules Governing the Evaluation of Manager's Performance and Management of Compensation". Such remuneration will be further calculated and reasonably paid in a proportion of such earnings by taking into consideration the evaluation items specified therein, such as the directors' individual professional input and performance, the manager's business strategy and medium- and long-term strategic plans, and how the policy plans and performance indicators at all levels are carried out in accordance with the current year's operating objectives. In addition, the director and manager remuneration system will be reviewed from time to time based on the actual operating status and relevant laws and regulations.

Note 4: Items for assessment of the CPA's independence

Appraisal Items	Results	Compliant with Independence?
1. The CPA and/or any of his/her family members has/have no direct or indirect significant financial interest in the Company.	True	Yes
2. The CPA and/or any of his/her family members has/have no commercial relations with the Company, its directors and managers, which affects the CPA's independence.	True	Yes
3. Currently or in the most recent two years, the CPA does/did not hold any posts in the Company, such as the director, manager or any post which significantly influences the auditing work, neither did company promise its CPA any foregoing post.	True	Yes
4. At the time of the audit, no family member of the CPA held any position as a director or manager of the Company or that which had any direct and material influence on the audit.	True	Yes
5. During the audit period, no family member of the CPA held the posts in the Company, such as the director, managers or any post which directly and significantly influences the audit work.	True	Yes
6. The CPA did not receive from the Company or its directors, managers, or major shareholders any offer or gift, the value of which exceeds the usual social etiquette standards.	True	Yes
7. The CPA's audit team has implemented the necessary procedures regarding independence/conflicts of interests without any violation of the independence or any unsettled	True	Yes

Appraisal Items	Results	Compliant with Independence?
conflict of interests.		
<p>Note: Family members: They mean the CPA's spouse (or cohabitant), minors or other dependents.</p> <p>Audit period: It usually begins from the date on which the members of the audit team start auditing and ends on the date when the audit report is issued. If the audit case is cyclical, the cycle period belongs to the audit period.</p>		

Note 5: The further education received by Independent Directors and other Directors is disclosed in " III. Corporate Governance Report, 4. Corporate Governance Operations, (IX) Other important information helpful for improving understanding of the governance of the company" in this annual report.

(4) Composition, duties and operation of the Compensation Committee:

On September 27, 2011, the Company established the Compensation Committee and drew up the "Regulations Governing the Organization of the Compensation Committee". The Committee is aimed at helping the Board establish and periodically review the performance appraisal of Directors and managers and the remuneration policy, system, standards and structure, as well as periodically review and determine the remunerations for Directors and managers.

1. Information of the members of the Compensation Committee

Title	Criteria Name	Qualifications and Experience	Independence	Number of Other Public Companies in which the Member also Serves as an on the Compensation Committee
Independent Director (Convener)	King-Ling Du	Please refer to the "Disclosure of Professional Qualifications of Directors and Independence of Independent Directors" form on pages 16 to 18		0
Independent Director	Ming-Ling Hsueh			4
Independent Director	Shiang-Chung Chen			1
Independent Director	Fu-Hsiung Hu			1

2. Information on Operation of the Compensation Committee

The Company's Compensation Committee operates in accordance with the Company's Compensation Committee Charter and holds at least two regular meetings each year.

(1) There are 4 members of the Compensation Committee of the fourth term in the Company.

(2) Term of office of the members: It started on August 4, 2020 and will end on May 28, 2023. The Compensation Committee met fourth times in 2021. The attendance records of the committee members are as follows:

Title	Name	Attended in Person	Attended by Proxy	Attendance Rate (%)
Convener	King-Ling Du	4	0	100%
Member	Ming-Ling Hsueh	4	0	100%
Member	Shiang-Chung Chen	4	0	100%
Member	Fu-Hsiung Hu	4	0	100%

The matters for discussion and resolution by the Compensation Committee and the Company's handling of the opinions of the members of the Compensation Committee:

Compensation Committee Meeting Number and Date	Board of Directors Meeting Number and Date	Proposals and Resolutions	Company's Handling of Compensation Committee Member's Opinion
4 th Term 2 nd Meeting January 13, 2021	19 th Term 5 th Meeting January 22, 2021	Proposal for 2020's managerial performance evaluation and bonus compensation Proposal for performance bonuses for the Chairman and Vice Chairman of the Company for 2020 Setting of the Company's managers' objectives for 2021	Compensation Committee: The relevant proposals were passed with the consent of all members present and submitted to the Board of Directors for resolution. Board of Directors: All of the Directors present approved the proposals unanimously.
4 th Term 3 rd Meeting February 19, 2021	19 th Term 6 th Meeting February 26, 2021	Proposal for distribution of the Company's directors' and managers' remuneration for 2020	
4 th Term 4 th Meeting April 26, 2021	19 th Term 8 th Meeting May 7, 2021	Proposal for distribution of special bonus for managers of the Company	
4 th Term 5 th Meeting July 28, 2021	19 th Term 10 th Meeting August 6, 2021	Amendments to the Regulations Governing the Evaluation of Managerial Performance and Remuneration of the Company	

Other details that need to be recorded:

Decisions made by the Compensation Committee for which certain committee members were against or had reservations that were recorded or expressed via written statements: None

3. Scope of Duties of the Compensation Committee

The Compensation Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the Board of Directors for discussion.

- (1) Periodically reviewing the Compensation Committee Charter and making recommendations for amendments.
- (2) Establishing and periodically reviewing the annual and performance goals for the directors and managers of the Company and the policies, systems, standards, and structure for their compensation, as well as disclosing the standards for evaluating their performance in the annual report.
- (3) Periodically assessing the degree to which performance goals for the directors and managers of the Company have been achieved, and setting the types and amounts of their individual compensation, as well as disclosing the director and manager compensation in the annual report.

The Committee shall perform the duties under the preceding paragraph in accordance with the following principles:

- (1) Ensuring that the compensation arrangements of the Company comply with applicable laws and regulations and are sufficient to recruit outstanding talents.
- (2) Performance assessments and compensation levels of directors and managerial officers shall take into account the general pay levels in the industry, as well as the reasonableness of the correlation between the individual's performance and the Company's operational performance and future risk exposure.
- (3) There shall be no incentive for the directors or managerial officers to pursue compensation by engaging in activities that exceed the risk appetite of the Company.
- (4) For directors and senior managerial officers, the percentage of remuneration to be distributed based on their short-term performance and the time for payment of any variable compensation shall be decided with regard to the characteristics of the industry and the nature of the Company's business.

(5) Reasonableness shall be taken into account when the contents and amounts of the compensation of the directors, supervisors, and managerial officers are set. It is not advisable for decisions on the compensation of the directors, supervisors, and managerial officers to run counter to financial performance to a material extent. It is not advisable for said compensation to be higher than that in the preceding year in the event of a material decline in profits or of long-term losses. If it is still higher than that in the preceding year, the reasonableness shall be explained in the annual report and reported at a shareholders' meeting.

(6) No member of the Committee may participate in discussion and voting when the Committee is deciding on that member's individual compensation.

"Compensation" as used in the preceding two paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the compensation for directors and managerial officers as set out in the Regulations Governing Information to be published in Annual Reports of Public Companies.

If the decision-making and handling of any matter relating to the remuneration of directors and managerial officers of a subsidiary is delegated to the subsidiary but requires ratification by the board of directors of the Company, the Committee shall be asked to make recommendations before the matter is submitted to the board of directors for deliberation.

(7) The Committee shall explain at the meeting the remuneration of any of its members that is to be discussed at such meeting. Such members shall not join the discussion and vote if it may do harm to the interests of the Company, and shall recuse themselves from the discussion and voting, and shall not exercise their voting rights on behalf of other members.

(5) Composition, duties and operations of the Nomination Committee.

1. The Committee shall be composed of at least three directors elected by the Board of Directors, in which a majority of the independent directors shall participate.

The Committee, under the authority of the Board of Directors, shall faithfully perform the following duties and responsibilities with the due care as a good administrator and shall submit its recommendations to the Board of Directors for discussion:

- (1) To establish the criteria of diversity and independence in terms of professional knowledge, technology, experience and gender required for board members and managers, and to identify, review and nominate candidates for directors and managers accordingly.
- (2) To establish the organizational structure of each functional committee and to review the establishment and amendment of the organizational rules and regulations of each functional committee.
- (3) To establish and regularly review the directors' continuing education program and succession plans for directors and managers.
- (4) To review the establishment and amendment of the Company's corporate governance and board of directors' operating rules and regulations.
- (5) Other matters to be dealt with by the Committee as resolved by the Board of Directors.

2. Professional qualifications and experience of the members of the Nomination Committee and its operations:

- (1) There are 5 members in the Nomination Committee of the Company of this term.

- (3) The term of office of the current members: August 6, 2021 to May 28, 2023. The Nomination Committee met twice in 2021, and the professional qualifications and experience of the members, their attendance and matters discussed are as follows:

Title	Name	Professional Qualification and Experience	Personally Attended	Attended by Proxy	Attendance rate (%)	Remarks
Convener	Fu-Hsiung Hu	Please refer to the "Disclosure of Professional Qualifications of Directors and Independence of Independent Directors" form on pages 16 to 18.	2	0	100%	
Member	Yu-Lon Chiao		2	0	100%	
Member	Ming-Ling Hsueh		2	0	100%	
Member	King-Ling Du		2	0	100%	
Member	Shiang-Chung Chen		1	1	50%	

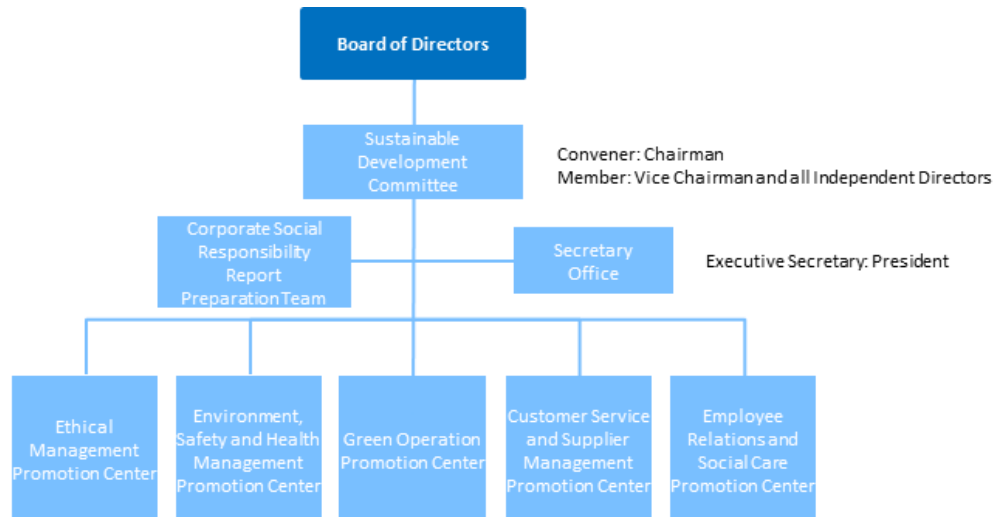
Other matters that should be specified:

The results of the discussions and resolutions of the Nominating Committee and the Company's handling of the opinions of the members:

Nomination Committee Meeting Number and Date	Board of Directors Meeting Number and Date	Proposals and Resolutions	Company's Handling of Compensation Committee Member's Opinion
1 st Term 1 st Meeting August 6, 2021	19 th Term 10 th Meeting August 6, 2021	Proposal: Election of the Convener and the chairman of the meeting of the Nomination Committee of the first term. Resolution: Fu-Hsiung Hu, Independent Director, was elected Convener and the chairman of the meeting of the Nomination Committee of the first term.	All of the Directors present approved the proposal unanimously.
1 st Term 2 nd Meeting November 5, 2021	19 th Term 11 th Meeting November 5, 2021	Proposal: Proposal to establish the "Principles of Election of Board Members and Managers and Guidelines for Continuing Education and Succession Planning." Resolution: Proposal passed and sent to the Board of Directors for approval.	All of the Directors present approved the proposal unanimously.

- (6) Our fulfillment of sustainable development and differences between the same and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reason(s) therefor:

The Company has established the Sustainable Development Committee under the Board of Directors, which is in charge of the following matters and structured as follows:



Duties of the Committees

Department	Responsibility and function
Sustainable Development Committee	It is our highest-levelled CSR organization which establishes our corporate sustainable development vision and strategy, reviews the overall operational directions of the Group and each promotion center through regular meetings and oversees the implementation results. It reports the annual CSR results to the Board of Directors in the following year.
Ethical Management Promotion Center	It is responsible for formulating and promoting policies and systems related to ethical management, integrating integrity and ethical values into the Company's business strategies, and assisting the Board of Directors and the senior management in checking and evaluating the effectiveness of the preventive measures established to implement ethical management.
Environment, Safety and Health Promotion Center	It is responsible for formulating our environmental protection, safety and health policies, implementing related plans, overseeing and reporting on the implementation performance. Being composed of the heads of cross-business units and related departmental cadres, it carries out the interdepartmental integration and implementation promotion on related issues.
Green Operation Promotion Center	It is responsible for formulating the green operation strategy and identifying green products and services with future value based on the implementations of CSR, including product design, material procurement, manufacturing, and sales and service systems, which are all green oriented.
Customer Service and Supplier Management Promotion Center	It is responsible for formulating policies and implementation plans for the improvement of customer service quality and supplier management, overseeing and reporting on the implementation performance. Being composed of the heads of cross-business units and related departmental cadres, it carries out the interdepartmental integration and implementation promotion on related issues.
Employees Relations and Social Care Promotion Center	It is responsible for promoting and building a safe and healthy working environment for employees to fully utilize their talents for reasonable compensation and benefits. It also develops social care policies to actively participate in the public welfare, social cares and CSR education, so as to pay back to society with concrete, continuous action.

Department	Responsibility and function
Secretary Office	It is a staff unit established under the Sustainable Development Committee and is responsible for assisting the Committee in exercising its responsibilities, tracking resolution issues and coordinating the integration of the operations of the various promotion centers.
Corporate Social Responsibility Report Preparation Team	It is responsible for the preparation of CSR reports and the disclosure of CSR-related information and the CSR promotion.

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
I. Has the Company established a governance structure to promote sustainable development and set up a dedicated (or part-time) unit to promote sustainable development, which unit is handled by senior management as authorized by the Board of Directors? And how does the board of directors supervise the same?	Yes		<ol style="list-style-type: none"> The Company's 7th meeting of the Board of Directors of the 17th term approved the establishment of the "Corporate Social Responsibility Committee" in April 29, 2015, and the 17th meeting of the Board of Directors of the 18th term in November 1, 2019 approved the establishment and organizational charter of the "Sustainable Development Committee" by merging the existing "Corporate Social Responsibility Committee" and "Ethical Management Committee". The establishment and the appointment of its members have been approved by the Board of Directors, and the Sustainable Development Committee is responsible for developing corporate sustainability strategies and visions to promote CSR-related work and management. The Committee is composed of the Chairman as convener, and the Vice Chairman and all independent directors as members. The Committee has five promotion centers, including the Ethical Management Promotion Center, the Environment, Safety and Health Management Promotion Center, the Green Operation Promotion Center, the Customer Service and Supplier Management Promotion Center, and the Employee Relations and Social Care Promotion Center. The Board of Directors receives regular reports on operations, finance, corporate governance, sustainability issues, etc. Through the diverse experience of its members, the Board offers broad and professional opinions to assist the Company in making appropriate decisions and guiding the Company in a clear strategic direction. 	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
<p>II. Does the Company conduct risk assessments of environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies in accordance with the principle of materiality? (Note 1)</p>	Yes		<p>1. In order to ensure the sound operation and sustainable development of the Company, the "Rules for Risk Management Policies and Procedures" were approved by the 19th meeting Board of Directors of the 18th term in February 27, 2020 to establish an overall risk management system. The Board of Directors, the Audit Committee, the Auditing Office, the President and the President's Office, each risk management unit, and each unit and subsidiary of the Company are collectively involved in promoting the implementation of relevant risk management measures.</p> <p>2. For the purpose of reducing the impact and influence of internal and external risks, the Company's governance units and other risk management units have identified risks related to environmental, social and corporate governance issues and planned relevant management and control measures in accordance with the principle of materiality, the business and operational characteristics of the Company. The results of risk assessments (including management policies, strategies or mechanisms for each risk category) are summarized in Note 3.</p> <p>3. In 2020, in the course of evaluating the risks, the Company introduced a risk assessment tool for the risk of dishonest behavior and conducted risk analysis of seven major types of dishonest behavior for the three functions of sales, safety and environmental protection, and procurement. Relatively high-risk scenarios were identified and prioritized for management. The results of this assessment and the related handling mechanism were reported to the Board of Directors on November 20, 2020 (for the report, please refer to https://www.walsin.com/wp-content/uploads/2021/03/RiskManagementReport2020.pdf). The various risks were revisited in 2021 and there was no increase or decrease in the Company's risk categories; however, each risk management unit has further updated its risk management measures and strategies and reported the same to the Board of Directors in November 5, 2021. (For the report, please refer to https://www.walsin.com/wp-</p>

Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
			content/uploads/2022/01/110RiskManagementReport2021.pdf)
III. Environmental Issues (1) Has the Company established a proper environmental management system based on the characteristics of its industry?	Yes		(1) 1. The Company's Environmental, Health and Safety Promotion Center under the Sustainable Development Committee has set targets for energy saving and carbon reduction, water management and waste reuse in accordance with Walsin Lihwa Environmental, Health and Safety Policy, including a 10% carbon reduction by 2025 compared to 2014, a 15% reduction in water use in 2030 compared to 2014, and capital expenditures to replace production equipment, develop green processes, and promote source improvement. Please refer to Chapter 5 (Energy Saving and Carbon Reduction and Resource Cycle) of the 2021 Annual Sustainability Report or the "Energy Saving and Carbon Reduction and Resource Cycle" page of the Corporate Sustainability Section on the Company's website (https://esg.walsin.com/zh_TW/focus/saving) for related specific results. 2. The environmental management of the Company's domestic and overseas plants has been carried out in accordance with government regulations and international environmental protection conventions. The plants in Taiwan (Hsinchuang Plant 1, Hsinchuang Plant 2, Yangmei Plant, Taichung

Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons therefor
	Yes	No	
(2) Has the company made efforts to improve the efficiency of resources utilization and use recycled materials which have a low impact on the environment?	Yes		<p>Plant and Yanshui Plant) and China (Shanghai Power Plant, Jiangyin Plant, Yantai Plant and Changshu Plant) have all received the "Environmental Management System" certification (ISO 14001:2015). The Company will also continue to improve and refine our environmental management performance. Please refer to the Company's website - Document Center - Environmental Safety and Health Policy and Related Certificates (https://www.walsin.com/about-us/newsroom/#pills-reports-document) for relevant verification standards.</p> <p>(2) 1. Walsin strives to be an environmentally sustainable enterprise, and increases its investment in energy saving, carbon reduction, and resource recycling software and hardware year by year, such as "control of reasonable energy consumption per unit of the product", "equipment energy efficiency management and improvement", "reduction of smelting process energy consumption and carbon emission", waste heat recovery and process technology improvement (such as pure oxygen combustion technology and yield improvement), and green power installation (such as solar energy).</p> <p>2. The Company mainly produces wire and cable and stainless steel. After these two types of products have gone through the stages of production, use and disposal, they can be recycled and reused to return to their life cycle, which is in line with the concept of recycling for new products in a circular economy. In addition to continuously raising the rate of using recycled stainless steel and carbon steel as raw materials, Walsin also considerably uses recycled pallets, iron frames, iron (wood) shafts, wooden plates, and iron plates as packaging materials for copper wire and cable. In 2021, approximately 95% of the products produced by Cable & Wire Business Group used recycled raw materials and approximately 57% of those products used recycled packaging materials; approximately 41.48% of the products produced by Stainless Steel Business</p>

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
(3) Has the company assessed the current and future potential risks and opportunities of climate change for the business and taken measures to address climate related issues?	Yes		<p>Group used recycled raw materials for scrap steel and approximately 58.52% of those products used recycled raw materials. For specific results, please refer to Section 3.2 "Green Operations" of the 2021 Annual Sustainability Report or the "Energy and Carbon Reduction and Resource Cycle" page in the Corporate Sustainability section of the Company's website (https://esg.walsin.com/zh_TW/focus/saving).</p> <p>(3) In 2020, the Company formulated its risk management policies and procedures to incorporate climate change and environmental risks into its management in accordance with its business operations and operating characteristics. The Company also introduced the TCFD framework to set up climate change scenarios to identify changes to the Company's operations based on the scenario and the risks and opportunities caused by climate change. And in 2021, it further developed strategies in response based on the significant risks and opportunities by describing risk management practices and opportunity practice planning, so as to establish a governance framework for climate change according to such strategies. Please refer to Chapter 5 (Energy Saving and Carbon Reduction and Resource Cycle) of the 2021 Annual Sustainability Report or the "Energy Saving and Carbon Reduction and Resource Cycle" page of the Corporate Sustainability Section on the Company's website (https://esg.walsin.com/zh_TW/focus/saving) for related specific results.</p>	
(4) Has the Company compiled statistics on greenhouse gas (GHG) emissions, water consumption and total weight of waste in the past two years, and formulated policies on energy conservation, carbon reduction, GHG reduction, water consumption reduction or other waste management?	Yes		<p>(4) 1. The Company's energy-saving and carbon-reduction strategy is to "implement lean production management", "control reasonable energy consumption per unit of the product", "manage and improve equipment energy efficiency", and "reduce energy consumption and carbon emissions in the smelting process". In addition, the Company will increase the investment in software and hardware for energy saving, carbon reduction and resource recycling year by year, such as green raw</p>	

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor																																	
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			<p>materials, waste recycling/regeneration (such as recycling waste metals to replace natural mineral mining, waste plastic recycling plastic pellets, and waste acid regeneration), water resources recycling (such as process cooling water recycling and reuse of reclaimed water), energy recycling (such as waste heat recovery) and process technology improvement (such as pure oxygen combustion technology and yield improvement), end-of-line reuse and disposal (such as furnace slag), and investment in green power constructions (such as solar energy). etc.</p> <p>2. Our annual statistics on greenhouse gas emissions, water consumption and total waste volume indicate total greenhouse gas emissions of 616,066 tonnes of CO₂e, total water consumption of 16,409 million liters and total waste of 193,431 tonnes in 2021, an increase by 3.95% and 0.72% and a drop by 11.11%, respectively, compared to 2020.</p> <p>(1). Greenhouse gas emissions for the last 2 years (by all plants and subsidiaries of the Company)</p> <p style="text-align: center;">Unit: co₂e(tonnes)/product(tonnes)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1</th> <th>Scope 1</th> <th>Emissions per Product</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>190,381</td> <td>402,295</td> <td>0.49</td> </tr> <tr> <td>2021</td> <td>201,262</td> <td>414,804</td> <td>0.46</td> </tr> </tbody> </table> <p>(2). Water consumption for the last 2 years (by all plants and subsidiaries of the Company)</p> <p style="text-align: center;">Unit: Million liters / product (tonnes)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total Water Consumption</th> <th>Water Consumption per Product</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>16,292</td> <td>13.53</td> </tr> <tr> <td>2021</td> <td>16,409</td> <td>12.19</td> </tr> </tbody> </table> <p>(3). Waste output for the last 2 years (by all plants and subsidiaries of the Company)</p> <p style="text-align: center;">Unit: tonnes/product (tonnes)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hazardous Wastes</th> <th>Non-Hazardous Wastes</th> <th>Output per Product</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>46,734</td> <td>176,832</td> <td>0.19</td> </tr> <tr> <td>2021</td> <td>71,696</td> <td>127,038</td> <td>0.15</td> </tr> </tbody> </table> <p>3. Our Taiwan plants have obtained ISO14064-1:2018, ISO50001 certification, and our overseas plants have obtained ISO50001</p>	Year	Scope 1	Scope 1	Emissions per Product	2020	190,381	402,295	0.49	2021	201,262	414,804	0.46	Year	Total Water Consumption	Water Consumption per Product	2020	16,292	13.53	2021	16,409	12.19	Year	Hazardous Wastes	Non-Hazardous Wastes	Output per Product	2020	46,734	176,832	0.19	2021	71,696	127,038	0.15	
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Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			certification (Yantai and Shanghai Plants). Please refer to the Company's website - Document Center - Environmental Safety and Health Policy and related certificates (https://www.walsin.com/about-us/newsroom/#pills-reports-document) for relevant verification standards.	
IV. Social Issues				
(1) Has the Company established its management policies and procedures in accordance with relevant laws, regulations, as well as international conventions regarding human rights?	Yes		(1) 1. The Company complies with the laws and regulations of each of its global operating locations, commits itself to protecting the basic human rights of its employee, supports and complies with the internationally recognized human rights conventions and guidelines such as United Nations Universal Declaration of Human Rights, United Nations Global Compact and International Labor Organization Convention, establishes the spirit of fair, reasonable, friendly treatment of and respect for all employees with dignity, including regular staff, temporary staff, expatriate staff, interns, and contractors, and extends this spirit to our partners. 2. In order to ensure the concrete implementation of the above-mentioned human rights spirit, the Company has established a series of implementation policies, including education, training and publicity on the prevention of harassment or illegal workplace violations, establishment of employee complaint mechanisms and channels, respect for freedom of association such as trade unions, regular health checks, actively organize health seminars, and regularly review and adjust management measures for issues related to human rights policies to improve human rights protection.	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(2) Has the company established and implemented reasonable employee benefit measures (including compensation, vacation and other benefits) and properly reflected operating performance or results in employee compensation?	Yes		(2) 1. The Company attaches importance to the physical and mental health and welfare of our employees and provides comprehensive and diversified welfare measures. It has work rules and related management regulations, which cover basic wages, working hours, annual leaves more than what is provided in the Labor Standards Act, subsidies for transportation/communication/meal, group	

Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons therefor
	Yes	No	
(3) Has the company provided a safe and healthy work environment for employees and provided education on safety and health for employees on a regular basis?	Yes		<p>insurance and health check-ups, and the provision of staff restaurants, dormitories, transportation vehicles, parking spaces, etc. A staff welfare committee has also been set up and elected by the employees to handle various welfare matters, including subsidies for wedding, funeral, celebrations, childbirth, travel and club activities, three festival bonus/Labor's Day bonus, birthday money gift, children's scholarships, interest-free loans, and hospitalization grants.</p> <p>2. The Company conducts regular market salary surveys to ensure that its overall compensation is competitive in the labor market; it also provides performance bonuses and production bonuses based on the Company's operational performance, the achievement of team goals and the individual performance of its employees. We also pay our employees at a rate of not less than 1% of our current year's profit to motivate those who have performed well.</p> <p>(3) 1. The Company has had a safety & health management organization and management personnel, established safety work guidelines, standards for the safe operation of machinery and equipment and periodically inspected various machines and relevant training in an effort to provide the employees with safety education and health examinations. In addition, workshops are held periodically to share safety knowledge with employees.</p> <p>2. The Environmental, Safety and Health Management Committee regularly reviews the implementation of workplace safety regulations. In terms of employee health, in addition to the regular health checkups that are superior to those specified in the laws and regulations, various health promotion activities such as health seminars and consultation with clinical physicians are conducted by the nursing staff of each of our plants in Taiwan to improve a safe and friendly workplace. For more information, please refer to Section 4.3 Workplace Health and Safety of the 2021 Annual Sustainability Report or the "Employee</p>

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons therefor
	Yes	No	Summary description	
(4) Has the company established an effective career development and capability training program for its employees?	Yes		<p>Relations and Workplace Safety" page of the Corporate Sustainability section of our website.</p> <p>3. In 2021, the number of employee accidents was 35 (35 persons in total) and the ratio of recordable occupational injuries was 0.62 (the ratio of cases per 200,000 man-hours). In 2022, we plan to improve the awareness of hazards/standard operating procedures (SOP) and machinery and equipment (TPM) to reduce the occurrence of occupational injuries.</p> <p>4. Our Taiwan and China plants have obtained ISO45001 certification. Please refer to the Company's website - Document Center - Environmental Safety and Health Policy and related certificates (https://www.walsin.com/about-us/newsroom/#pills-reports-document) for related verification standards/scope and validity period.</p> <p>(4) The Company has developed a training system according to each profession and level, and promoted three types of training methods: On-Job Training (OJT), Off-Job Training (OJT), and Self Development (SD) to support the development of the Company's talent, so that employees can follow in the capacity enhancement and cross-discipline learning, in order to maintain the competitiveness of the market. We develop knowledge/skill areas and learning blueprints each year according to the needs of our employees at each stage of their work and career development, and provide diversified training resources such as new recruit education and training, basic/advanced internal knowledge sharing, application of scientific tools (data analysis, image recognition, etc.), work skills, leadership training, and industry trends. According to the application level of knowledge and skills, we have planned online knowledge courses, offline learning communities, and mixed-level classroom courses/workshops. In 2021, there were 40,558 training participants trained for 122,026 hours. At the same time, in the first and second half of each year, during the</p>	

Promotion items	Actual Implementation		Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
(5) Does the Company comply with relevant regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of its products and services, and has it formulated relevant policies and complaint procedures to protect consumer rights?	Yes		<p>implementation of performance appraisal, in addition to conducting the annual work review in conjunction with colleagues, supervisors understand the potentials of colleagues, professions and areas to be improved based on their implementation of their work, and jointly formulate development plans for training, rotation and participation in projects.</p> <p>(5) 1. Our products and services are marketed and clearly labeled in accordance with local and international regulations and standards or pursuant to the requirements of our customers. In order to protect business information and customer privacy, the Company establishes a code of ethical conduct for employees and information security policies and relevant regulations (Note 3) to prevent any unauthorized access to, alteration to, or improper disclosure of any information that may infringe on customer privacy and rights.</p> <p>In addition to providing its latest information, product information, and the telephone numbers and e-mail addresses of the persons-in-charge of each business on its website, the Company has established communication channels through which interested parties can make complaints or communicate with the Company. Upon receipt of any information from an interested party, the Company will transfer the case to a dedicated person for him/her to confirm or handle, in order to reply to the stakeholders within the time limit.</p> <p>2. We have not violated any product- or service-related laws or regulations regarding customer health and safety, customer privacy, marketing and labeling of our products and services in 2021.</p> <p>3. For the latest information, product information, contact phone numbers and emails, please refer to the Company's website. https://www.walsin.com/our-business/ https://www.walsin.com/about-us/contact-us/</p>

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
(6) Does the company have a supplier management policy requiring suppliers to comply with relevant regulations governing environmental protection, occupational safety and health, or human rights in the workplace, and how is it implemented?	Yes		<p>(6) 1. In order to strengthen and implement the sustainable management of its suppliers, the Company has established a supply chain sustainability policy and the rules for evaluating the suppliers' performance of corporate social responsibility, and requires suppliers to comply with environmental protection, occupational safety and health or labor human rights regulations in purchase orders and contracts. Key suppliers and new suppliers, in addition to signing the "Supplier Management Commitment Letter", also need to conduct self-assessments through the Key Supplier Sustainability Assessment Questionnaire, with evaluation items including economic (i.e., sustainability management, supplier management, and trade secret protection), social (i.e., human rights, health, and safety), and environmental (i.e., management system, greenhouse gas, air pollution, and waste management) aspects for the purpose of identifying the degree of sustainability risk of each key supplier, in order to comply with CSR-related regulations along with the partnering suppliers and ensure that the supply chain fulfills its CSR commitments and implements the Principles for Supplier CSR Performance Assessment.</p> <p>2. In 2021, there were 134 key suppliers in the Wire and Cable, Stainless Steel and Commercial and Real Estate Business Groups, among which 20 were high-risk suppliers, 51 were medium-risk suppliers and 63 were low-risk suppliers. Since 2021, we have been promoting on-site audits, interviews and guidance with regard to high-risk key suppliers to prevent and reduce the occurrence of risks, and will continue to conduct on-site audits and guidance with regard to high-risk key suppliers.</p>	
V. Did the Company make reference to international standards or guidelines for the preparation of reports in preparing its sustainability reports and other reports that disclose non-financial information about the Company? Did the Company	Yes		1. Since 2014, we have been compiling sustainability reports (Note 4) by reference to the Global Reporting Initiative's (GRI) G4 Standards, and since 2017, the report structure has followed the core options of the latest GRI Standards. In 2020, we introduced the Sustainability Accounting Standards Board (SASB) Industry Standard and the Task Force on the Climate-related Financial	In line with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
obtain a third-party certification agency's confirmation or assurance opinion on said reports?			<p>Disclosures (TCFD) framework to provide stakeholders with more complete and transparent ESG information.</p> <p>2. Since 2015, we have engaged Deloitte Taiwan to perform third-party assurance checks on our reports and have obtained the CPA Statement of Limited Assurance. The third-party assurance checks are performed every year in accordance with the standards set forth in Statement of Standard on Assurance No. 1, "Assurance Cases Other Than Audits or Reviews of Historical Financial Information" and "Rules for the Preparation and Reporting of Sustainability Reports by Public Companies." As of the date of publication, the 2021 Annual Sustainability Report is being under assurance checks by Deloitte Taiwan, which is expected to issue a statement of assurance in May 2022.</p>	
<p>VI. If your company has established sustainable development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe differences between the principles and their implementation:</p> <p>In December 2014, the Company has established, based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" (Note 4), its Corporate Governance Best Practice Principles, which has also been approved by the Board of Directors. In line with the amendments to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, the Board of Directors amended the Corporate Governance Best Practice Principles in January 2018, April 2020 and January 2022. The Corporate Governance Best Practice Principles serve as the guidelines for the Company to establish and to execute related policies related to corporate governance, ESH management, customer service and supplier management, green operation, employee relations and social care. There are no discrepancies between the principles and actual practice.</p>				
<p>VII. Other key information useful for explaining the promotion and execution of sustainable development:</p> <p>(1) With regard to developing a sustainable environment, please refer to " V. Operating Status, IV. Environmental Protection Expenditure Status" in the annual report.</p> <p>(2) With regard to the Company's observing relevant labor regulations by safeguarding the lawful rights and interests of its employees and providing a safe and healthy work environment for its employees, please refer to "Operating Status, Labor-Management Relations" in the annual report.</p> <p>(3) "Growth and integration with the local communities" is the philosophy in the social care of Walsin. It is a continuous implementation focused in four directions: "Minority Support", "Environment Conservation", "Community Development", and "Corporate Citizen". The results in 2021 may be summarized as below:</p>				

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
1."Illuminating the Corners of Taiwan": The Company has initiated the 5-year sponsorship project "Illuminating the Corners of Taiwan" in the end of 2016 to give back to society. The projects hopes to pay it forward by offering 5 elementary and junior high schools in rural Taiwan with relatively low resources more comprehensive faculty, environment and equipment and to develop characteristic physical and musical education. The second phase of the five-year plan will be launched in 2022 in cooperation with five existing schools to continue to deepen the various incubation programs.				
2.Long-Term Care for Children's Education: The Company and its employees regularly sponsor 12 child welfare organizations, including World Vision Taiwan, Taiwan Funds for Children and Families, Child Welfare League Foundation, the Lotus Heart Garden Nursery School in Houbi District, and Chinese Childrenhome & Shelter Association, in a total of NT\$1.6 million in 2021.				
3."Baoshan Vegetation Project": To promote cultivation of talents for conservation, collection and management of aboriginal Taiwan plant resources, Walsin Lihwa cooperated with College of Agriculture and Natural Resources, National Chung Hsing University to install a screen-house and an outdoors nursery, cultivate seedlings for afforestation applications and, environmental education and promotion for conservation, and protect Taiwan's diverse protected animal and plant resources. In order to focus on the contribution to and implementation of the project, starting from 2018, the Company and Winbond Electronics Corporation cooperated to incorporate Huabao Seed Breeding Co., Ltd., responsible for promoting Taiwan's forest germplasm conservation and indigenous plants revegetation projects. In 2021, we implemented the related planning and technical training.				
4.Support Local Agriculture (1) Organic Kiwifruit Contract Farming: In order to support environmental ecological conservation and the development of organic agriculture, for the first time in 2021, we cooperated with "Jianghao Farm Young Farmers", contracted 800 square meters of farmland, organically planted Taiwanese native kiwi fruit that is conducive to soil and water conservation, and took practical actions to support local small farmers who cultivated in a friendly environment. .				
(2) Support Mango Small Farmers: The COVID-19 pandemic in 2021 has had a considerable impact on fruit farmers in southern Taiwan. In order to support Taiwan's local agriculture and help small farmers overcome the pandemic, the Company and labor union worked together to order 3,000 boxes of 18,000 kilograms of Aiwon mangoes from small farmers in Nanxi, Nanhua and Baolai areas of Tainan and distributed the same to colleagues in Taiwan, in an effort to take care of local fruit farmers in Tainan affected by the pandemic, and to express gratitude to our colleagues for their daily hard work.				
(3) Order Taiwan Organic Mushrooms: In order to support the local small farmers in Taiwan, the Employee Welfare Committee ordered organic mushrooms from the farmers in Guanziling, Tainan before the Dragon Boat Festival in 2021, so that the local good taste might be shared with colleagues, hoping to support the small farmers who produce environmentally friendly production with actual purchase actions and to cheer for Taiwan agriculture!				
5."Elementary and Junior High School Newspaper Reading Project": Starting from 2014, this partnership between Mandarin Daily News sponsors newspapers for primary/junior high schools in the counties and cities in Taiwan where our plants located. The school teachers led students to understand the subjects of newspaper reports, and through interactive discussions, expanded their horizons and laid the foundation for their language skills. In 2021, we sponsored 77 classes in 17 schools in New Taipei City, Taoyuan City, Taichung City, Tainan City and Kaohsiung City, benefiting 1,197 students. Since 2019, Walsin, together with the Walsin Technology Foundation and Mandarin Daily News, has launched a bilingual reading education program. In 2021, we promoted this program in 822 classes in a total of 34 junior high schools in Taoyuan City and Kaohsiung City, benefiting a total of 21,124 students. With the advantage of the English and Chinese bilingual texts in "Junior High School Student Daily" offered by Mandarin Daily News, students' listening, speaking, reading and writing skills in both Chinese and English improved and their interests in the world and reading were opened. In addition, we also cooperated with Wen-Chang Elementary School, Yanshui District, Tainan City to organize newspaper reading games				

Promotion items	Actual Implementation			Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary description	
			<p>and activities, where 12 colleagues volunteered to interact with 56 schoolchildren from grade 1 to grade 6 of the whole school and make them understand various useful knowledge in their daily life through the game, with the view to inspiring children's interest in learning through educational entertainment and visualization of knowledge.</p> <p>6.Community Development and Promotion by Plants: Each plant continues to support local cultural and activities, cares for the disadvantaged in the community, and effectively uses plant resources to promote neighborhood development. In 2021, we continued to sponsor six elementary schools in the Yanshui area of Tainan in the academic mentoring program and participated in 79 local civil defense, cultural, folklore, respect for the elderly, care for women and children, and environmental cleanup activities, as well as long-term adoption of nine roads and parks surrounding the plants for cleaning and making them greener.</p> <p>7.Sponsor Lo-Sheng Sanatorium, MOHW to fight against the pandemic: In the middle of 2021, the COVID-19 pandemic has deteriorated dramatically. In view of the shortage of supplies for pandemic prevention in medical institutions and the increasing demand for healthcare capacity, Walsin sponsored NT\$1.2 million to Lo-Sheng Sanatorium, MOHW to provide funds for the purchase of supplies and equipment, in the hope of supporting front-line healthcare workers in their fight against the pandemic with practical actions.</p> <p>8.Sponsor Electric Wire Materials in National Skills Competition held by the Workforce Development Agency The Ministry of Labor organizes the National Skills Competition every year, provides a professional stage for the best craftsmen in various occupations to compete on the same stage, and selects young craftsmen with excellent skills from the competition to represent Taiwan in international skills competitions. The Hsinchuang Plant of Wire and Cable Business Group sponsored the 51st National Skills Competition in the Industrial Control (Industrial Wiring) category in September 2021, in a view to supporting the development of vocational training and technical vocational education.</p> <p>(4) In 2021, Walsin Lihwa was listed as the top 5% outstanding companies as published by the Taiwan Stock Exchange in the 7th "Corporate Governance Evaluation." The Company was also awarded the "Model Donation for Education" by the Yilan County Government for the "Light Up the Corners of Taiwan" project, and Performance Award and Platinum Report Award of Top 50 Taiwan Corporate Sustainability Award from TCSA in 2021.</p> <p>(5) For details on the Company's execution of sustainable development, please go to the Walsin Lihwa website Corporate Sustainability section (https://esg.walsin.com/zh_TW) and read our 2021 Sustainability Report.</p>	

Note 1: "Principle of Materiality" refers to environmental, social and corporate governance issues that have a material impact on the Company's investors and other stakeholders.

Note 2: Management Policies, Strategies or Mechanisms of Risk

Issues	Risk Category	Management Policies, Strategies or Mechanisms
Corporate Governance and Economic Issue	<ul style="list-style-type: none"> • Strategy and Operations • Legal • Capital Expenditure • Information 	<ul style="list-style-type: none"> • Business units regularly report strategic issues to the Directors and therefore reduce strategic risks through the participation, advice and supervision of board members. • The Company's culture of "Ethical Management" emphasizes that all business activities must be conducted in accordance with local laws and regulations. We also require our employees to comply with laws and regulations, corporate rules and procedures, and guide them to conduct themselves in accordance with laws and regulations and ethical standards through education, internal audit, internal control and other management measures. • Major capital expenditures shall be reported to the Audit Committee and the Board of Directors for review and approval. • The Company continuously introduces advanced information

Issues	Risk Category	Management Policies, Strategies or Mechanisms
	<p>Security</p> <ul style="list-style-type: none"> • Changes in Interest Rates • Changes in Exchange Rates • Raw Material Prices and Supply Chains • Technology Risks 	<p>security solutions, establishes data protection mechanisms, organizes education and training, promotes new information security knowledge and raises staff awareness of information security.</p> <ul style="list-style-type: none"> • The Company monitors changes in the interest rate markets, controls existing long and short term borrowing positions and uses market instruments to lock in interest rate costs in a timely manner. • The Company develops a hedging strategy and carries out exchange rate hedging in conjunction with relevant hedging instruments such as spot rate trading and forward rate trading. Control of risks associated with foreign currency exchange rates and related hedging operations are performed with respect to major capital expenditures and capital transfers that may cause changes in foreign currency positions. • The Company carries out market risk management of its raw materials-related operations. It also prudently evaluates and actively develops new material sources to avoid monopoly by a few suppliers. In addition, we establish a safe inventory of raw materials and purchase some raw materials in stock to allow for flexibility. • We deeply understand the needs of customers and end-use applications, and accelerate the technical development of product materials manufacturing processes and applications, in order to strengthen our technical capabilities to respond to rapid changes in the external environment.
Environmental Issues	Climate Change and Environmental Risks	<ul style="list-style-type: none"> • The Company's environment, safety and health and energy policy is "Green Manufacturing, Happy Enterprise and Sustainable Development" and is committed to "Compliance with Regulations, Risk Control, Pollution Prevention, Energy Saving and Waste Reduction and Performance Enhancement." • We promote energy management systems to establish energy management performance indicators, so as to facilitate long-term energy efficiency control. We also Invest in green electricity and gradually build up a product carbon footprint, in order to improve carbon reduction performance and prepare for carbon rights operations in advance. Besides, we continuously identify and develop waste reuse technologies to improve resource recycling efficiency.
Social Issues	<ul style="list-style-type: none"> • Management Risks • Occupational Safety Risks 	<ul style="list-style-type: none"> • Employees are Walsin's most important asset and major driving force. Walsin cares about its employees, their families and their lives, listens to their voices and strengthens the communication channels between employees and employers to promote harmonious relationships. We also ensure that the existing human resources management procedures and related administrative practices comply with the laws and regulations. • We maintain the consistency of the environment, safety and health management systems in all plants through ESH education and training, and implement operational risk factor checks and regulations to reduce the incidence of occupational

Issues	Risk Category	Management Policies, Strategies or Mechanisms
	<ul style="list-style-type: none"> Corporate Image Risks 	<p>safety incidents. We also require contractors to sign an Environment, Safety and Health Policy Commitment to jointly comply with the requirements of the environment, safety and health law and to reduce occupational safety hazards.</p> <ul style="list-style-type: none"> The Company has established a crisis management response mechanism for risks that may affect its image.

Note 3: Information security policies and relevant regulations include rules for information security organization management, information asset management, personnel security management, physical and environmental security management, communication and operation management, access control management, information system acquisition, development and maintenance management standards, information security incident management, business continuity management, and compliance management.

Note 4: The title of the Corporal Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies was amended to the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" on December 7, 2021; the title of the Corporate Social Responsibility Report was amended to the "Sustainability Report".

(7) Fulfillment of ethical management and differences between our ethical management and the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason(s)

Assessment items	Implementation status		Summary	Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No		
<p>I. Establishment of ethical management policies and solutions</p> <p>(I) Has the Company formulated its ethical management policies approved by the Board of Directors and stated its ethical management policies and practices in its internal rules and external documents? Do the Board of Directors and senior management actively fulfill their commitment to ethical management polices?</p>	Yes		<p>(I) The Company has always insisted on honest business practices. We abide by the laws set forth by the government, implement our corporate governance principles and make our utmost effort to fulfill our corporate responsibilities. Our Board passed our "Ethical Corporate Management Best Practice Principles" and our "Procedures for Ethical Management and Guidelines for Conduct" as the Company's policies for ethical management practices. The full texts are also disclosed in electronic form on the Company's website to showcase our commitment to implementing and overseeing ethical management policies.</p> <p>The directors and senior executives signed a Statement of Ethical Management to demonstrate their determination to operate with integrity. At the same time, information related to ethical management was published on the corporate website and internal website for the directors' reference to convey the importance of operating with integrity and to actively</p>	<p>In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(II) Has the Company established an assessment mechanism for the risk of unethical conduct to regularly analyze and evaluate business activities with a higher risk of unethical conduct in its scope of business, and formulated a plan based on such analysis and evaluation to prevent unethical conduct, which should cover at least the preventive measures under Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	Yes		<p>implement and monitor the implementation of the ethical management policy.</p> <p>(II) 1. The Company's prevention plan and scope of Article 6 of the Ethical Corporate Management Best Practice Principles have specifically covered the business activities with higher risk of dishonest behavior or other activities specified in each paragraph of Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. The Company has strengthened the relevant preventive measures through the establishment of internal rules and regulations and practices, education and training, daily promotion, contractual agreements and inclusion in the employee performance evaluation.</p> <p>2. The Company established a risk assessment mechanism for dishonest acts and used the seven major types of dishonest acts listed in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies as the scope of assessment to promote the assessment of dishonest acts.</p> <p>3. In order to implement the concept of sustainable management and promote corporate governance, we have established the Sustainable Development Committee, under which the "Ethical Management Promotion Center" is responsible for the management of the Company's ethical management and the implementation of corporate social responsibility, while assisting in integrating integrity management into the Company's business strategy, formulating relevant measures to ensure ethical management in accordance with laws and regulations, supervising the implementation of ethical management, and evaluating its effectiveness. The Sustainable Development Committee held two meetings in 2021 to review the annual plan and implementation results of the Promotion Centers and to monitor the effectiveness of the implementation thereof and report the</p>	

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons for deviation
	Yes	No	Summary	
(III) Has the Company defined and implemented the operating procedures, conduct guidelines, disciplinary and complaint systems for non-compliance in its unethical conduct prevention program, and regularly reviewed and revised the foregoing program?	Yes		<p>implement result in 2021 to the board of directors meeting on January 11, 2022.</p> <p>4. On February 27, 2020, the Board of Directors approved the establishment of the "Risk Management Policies and Procedures" as the highest guiding principle for the Company's risk management. The Company will regularly assess the risks on an annual basis and formulate and implement management policies for each risk, which cover management objectives, organizational structure, attribution of authority and responsibility and risk management procedures, so as to effectively identify, measure and control the Company's risks and control the risks arising from business activities within an acceptable range.</p> <p>5. In respect of the Company's risk management, each risk management unit and audit unit will carry out the Company's risk environment management and countermeasures, and President will organize and oversee the implementation and coordination of risk management. The risk control measures and risk management operations will be reported to the Board of Directors in case of material risk events. The risk management operations for 2021 were reported to the Board of Directors on November 5, 2021</p> <p>(III) 1. In 2021, the Company reviewed and updated its ethical management policy and revised the Procedures for Ethical Management and Guidelines for Conduct. In accordance with the Company's Ethical Corporate Management Best Practice Principles and Procedures for Ethical Management and Guidelines for Conduct, it has established punishment policies and a complaint filing system for employees who violate relevant regulations, which is integrated with the employee performance evaluation.</p> <p>2. In accordance with the Director Code of Ethical Conduct, Employee Code of Ethical Conduct and Regulations Governing the Handling of Business by Employees, we cause our staff to</p>	

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
			<p>behave honestly and uprightly to our stakeholders in compliance with the ethical management policies. These regulations also stipulate that when performing their duties, employees shall not accept bribes or other improper benefits from companies, customers, competitors and suppliers, or bribe others. All of the above regulations have been implemented in the employees' daily operations.</p> <p>3. The company has strengthened the implementation of prevention programs through internal education and training, daily promotion, contractual agreements and inclusion in employee performance assessment.</p>	
<p>2. Ensuring ethical business practice</p> <p>(I) Has the Company evaluated the ethical management practices records of the companies it does business with as well as explicitly included ethical management practices clauses in the contracts?</p>	Yes		<p>(I) 1. The Company prevents transacting with companies with unethical management practice records by adopting the following approaches:</p> <p>(1)When selecting a business partner, the Company reviews the partner's past trading history and credit record. When inviting bids, suppliers shall be informed of the principle of a fair, open and transparent supplier selection policy.</p> <p>(2)Entities we are selling to: Except for procurement projects from the government, the Company shall track the long-term credit information of distributors, with the reputation of new distributors obtained through credit reference agencies and other companies in the industry.</p> <p>2. Including honest practice provisions in contracts:</p> <p>(1)Procurement contracts: We have either had honest business practices clauses added to the contracts or have the supplier sign an honest business practices statement.</p> <p>(2)Sales contracts: Honest business practices clauses have been added to all such contracts.</p> <p>3. The Company also non-periodically holds supplier conventions for suppliers of different plants to advocate for the integrity</p>	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reasons for deviation
	Yes	No	Summary	
(II) Has the company established a dedicated or non-dedicated department under the Board of Directors to ensure honest business practices? Does this department periodically report their status of implementation to the Board of Directors?	Yes		<p>management of suppliers. In 2021, a total of 111 companies attended the meetings held by Wire and Cable Business Group (Shanghai, Dongguan and Hsinchuang/Yangmei Plants) and Stainless Steel Business Group (Yanshui Plant).</p> <p>(II) The Company's 7th meeting of the Board of Directors of the 17th term approved the establishment of the "Corporate Social Responsibility Committee" in April 29, 2015, and the 17th meeting of the Board of Directors of the 18th term in November 1, 2019 approved the establishment and organizational charter of the "Sustainable Development Committee" by merging the existing "Corporate Social Responsibility Committee" and "Ethical Management Committee". The Sustainable Development Committee is responsible for developing corporate sustainability strategies and visions to promote CSR-related work and management. The Committee is composed of the Chairman as convener, and the Vice Chairman and all independent directors as members. The Committee has five promotion centers, including the Ethical Management Promotion Center, the Environment, Safety and Health Management Promotion Center, the Green Operation Promotion Center, the Customer Service and Supplier Management Promotion Center, and the Employee Relations and Social Care Promotion Center. They reported to the Board of Directors on January 22, 2021 on the performance of 2020 and 2021 implementation plan, and on January 11, 2022 on the performance of 2021 and 2022 implementation plan.</p> <p>The Company's Ethical Management Promotion Center is the responsible unit for formulating and overseeing the implementation of the Company's ethical management policies and preventive measures. It is mainly put in charge of the following matters and shall regularly report to the Sustainable Development Committee and the Board of Directors:</p> <p>1. Assisting to integrate honesty and ethical values into the Company's operating strategies,</p>	

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
			<p>as well as formulating related measures against corruption to ensure honest business practices.</p> <ol style="list-style-type: none"> 2. Formulating programs to guard against dishonest behavior, as well as formulating related standard operating procedures and behavioral guidelines for work and business operations within each program. 3. Making plans for internal departments, organization and functions; installing a mechanism for mutual supervision and check & balance for business activities within the operating scope with higher risks of dishonest behavior. 4. Setting in motion and coordinating the promotion and training for honest policies. 5. Making plans for a complaint filing system while ensuring the effectiveness of implementation. 6. Assisting the Board of Directors and the management to examine and evaluate whether or not preventive measures to ensure the implementation of honest business practices have been working effectively; compiling regular reports based on the compliance assessment of related business procedures. <p>The Company's Ethical Management Promotion Center members are introduced as follows (with different functions):</p> <ol style="list-style-type: none"> 1. Corporate Governance Unit: Responsible for the operation of the Ethical Management Promotion Center, the establishment and revision of the Code of Business Integrity Practice and its operating procedures and guidelines, ensuring compliance with laws and regulations as well as legal and effective implementation of its regulations, and compiling regular reports based on the 	

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(III) Has the company established policies to prevent conflicts of interest, implemented such policies and provided adequate channels of communication?	Yes		<p>compliance assessment of related business procedures.</p> <p>2. Promotion and Education (Human Resources Division and Legal Division): Promoting and highlighting the importance of integrity.</p> <p>(1) HR: Training and education on the integrity culture and conduct.</p> <p>(2) Legal: Training and education on legal compliance.</p> <p>3. Reward and punishment (Human Resources Division): Establishing a clear and effective disciplinary system as basis for performance evaluation.</p> <p>4. Supervision and management (Auditing Office)</p> <p>(1) Offering suggestions for the supervision and check and balance mechanism.</p> <p>(2) Making plans for a complaint filing system.</p> <p>5. Execution Units (Division Heads/Controllers/Function Heads):</p> <p>(1) Cooperating with the execution and implementation of the operation of, and matters relating to, the Ethical Management Committee.</p> <p>(2) Regularly being supervised and audited.</p> <p>(3) Formulating relevant operating rules for specific preventive measures.</p> <p>In 2021, the Ethical Management Promotion Center held a total of four meetings and carried out relevant promotions and educational training, the implementation of which is disclosed in this annual report (V) Explanations for Educational Training on Ethical Management.</p>	
			(III) The Company has established the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct to regulate Directors, managers and employees in terms of obligations to the Company, external business activities, pecuniary transactions, avoidance of conflicts of interest and the management of classified information. The Company has set up a complaint mailbox on its website that provides a means for filing complaints about violations of honest business practice and sexual harassments, which the Independent Director may receive in real	

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
(IV) Has the Company established an effective accounting system and internal control system for the implementation of ethical management, and has its internal audit unit drawn up an audit plan based on the results of the assessment of the risk of unethical conduct, in order to verify compliance with such plan for prevention of unethical conduct, or has it engaged a CPA firm to perform the audit?	Yes		<p>time. A corporate mailbox also exists on the employee portal site, thus providing internal and external personnel with a means to make suggestions and complaints to the Company. Information received shall be handled by the Auditing Office.</p> <p>(IV) The Company actively works to ensure ethical business practices. The Auditing Office (or hired CPA, when necessary) shall regularly audit relevant compliance statuses according to accounting policies, internal control policies, as well as other relevant regulations. The Auditing Office will periodically report its auditing results during Board meetings.</p>	
(V) Does the Company regularly conduct internal and external educational training on ethical management?	Yes		<p>(V) During new-employee training, the Company periodically states its principles towards ethical management practices. It also periodically holds courses on corporate governance as well as ethical management practices and asks employees to participate. The Company's Procurement Department also informs suppliers of our ethical management practices principles in order to prevent unethical business practices.</p> <ol style="list-style-type: none"> 1. The Company regularly conducts annual training on ethical management (including anti-corruption) and legal compliance, which is disclosed in the annual CSR report and annual report. 2. Through public commitment, information dissemination and education, the Company deepens its management philosophy of integrity and creates a corporate culture of integrity from top to bottom. In 2021, 9 directors (accounting for 82% of all directors) received courses related to ethical management, and through the implementation of ethical management (including anti-corruption) and legal compliance training, we have established a good ethical management 	

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
			<p>culture and strengthened our commitment to ethical practices.</p> <p>3. In 2021, we conducted internal and external training courses on topics such as ethical management, patent education and the TIPS system, with 2,156 attendees. For external promotion, we invited 111 major suppliers and the attendance rate was 100%.</p>	
<p>3. Status of the Company's reporting mechanism</p> <p>(I) Has the Company established concrete reporting and rewards systems, set up convenient reporting channels and appointed any appropriate, dedicated staffer to deal with the person who has been reported?</p> <p>(II) Has the Company established standard operating procedures for investigation of and related information confidentiality mechanisms for complaints?</p> <p>(III) Has the company adopted any measure to protect the informers lest they be inappropriately treated?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>		<p>(I) The Company's website provides a "Reporting Violations of Ethical Management Practices and Sexual Harassment" area, which allows people to file complaints about violations against ethical management practices, which the Independent Director may receive in real time. There is also a "company mailbox" on the employee portal website, providing internal and external personnel with a means to file complaints. The Auditing Office is responsible for handling related recommendations and violations. If the violations are verified, disciplinary action shall be taken in accordance with the Company's regulations.</p> <p>(II) The Company has formulated the "Measures for Stakeholder Recommendations and Complaints," thereby protecting the identity as well as data of those who provide suggestions or feedback.</p> <p>(III) All reported cases are filed under the classified category, with a case opened to handle the issue. In addition, dedicated personnel are appointed to handling related tasks and issues in order to ensure the privacy of reporter and avoid unfair revenge or treatment.</p>	<p>In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Assessment items	Implementation status			Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons for deviation
	Yes	No	Summary	
4. Improved Information Disclosure Has the Company disclosed the content of its Ethical Corporate Management Best Practice Principles as well as related implementation results on its website and the MOPS?	Yes		The Company has established a Corporate Governance page on its website to disclose its ethical management-related information; it also discloses the implementation status and execution results of its ethical management practice in the annual CSR report and also the Company's Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Ethical Conduct Guidelines for Directors of the Board and Managerial Officers on the MOPS.	In line with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
5. If the company has established its ethical corporate management principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE- and TPEX-listed Companies", please state the difference between such principles and implementation: In line with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies."				
6. Other key information useful for explaining the status of the implementation of honest business practices: (Such as the status of the Company's efforts to review and correct its Ethical Corporate Management Best Practice Principles): In order to encourage R&D, protect technology and R&D achievements, optimize processes, promote product innovation, upgrade and smart manufacturing through the intellectual property rights system, thereby achieving a high-value transformation strategy for the Company's growth, after introducing the TIPS intellectual property management system at the headquarters and Yanshui Plant in 2020, the Company continued to promote the TIPS revalidation operation in 2021 and added the Hsinchuang Plant as a newly introduced plant. In accordance with TIPS Section 5.2 (<i>Intellectual Property Management Policy</i>) and Section 5.3 (<i>Objective Planning</i>), the current year's intellectual property management policy and its objectives were established, and the implementation status and annual plan were reported to the Board of Directors on November 5, 2021 (Note 1).				

Note 1: The operation of the Company's intellectual property rights management:

<https://www.walsin.com/investors/corporate-governance/#pills-information-security>

- (8) If the company has formulated corporate governance principles as well as other related regulations, it should disclose how they can be looked up: For the Company's corporate governance principles as well as relative regulations, please visit on our Company website: <https://www.walsin.com/investors/corporate-governance/#pills-major-internal-policies>.

(9) Other important information helpful for improving understanding of the governance of the company:

1. Further education on themes encompassing corporate governance the Company's Directors have received in the most recent year:

As of December 31, 2021

Title	Name	Date		Organizer	Course Name	Training Hours	
		Start Date	End Date			On this date	Year Total
Chairman	Yu-Lon Chiao	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	6
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
Vice Chairman	Patricia Chiao	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	6
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
Director	Yu-Cheng Chiao	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	21
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Domestic and International Economic Outlook and the Impact of Major Events on the Industry and Its Response; Pricing Strategy & Value Selling	3	
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Machine Learning - Hardware Design; Biden's Policy and the Impact of Soaring U.S. Bond Rates	3	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/09/30	2021/09/30	Computer Audit Association	Information Security-Related Risk Trends and Business Continuity Issues	3	
		2021/10/28	2021/10/28	Taiwan Corporate Governance Association	Semiconductor Innovation: Innovation History, Future Trends, Challenges, Opportunities, and Strategies; Impact of the US-China Trade War and the Pandemic on Cross-Strait Trade and Taiwan's Economy	3	
		2021/10/28	2021/10/28	Taiwan Corporate Governance Association	New Generation Communication, Communicating with New Generation; Seeing Taiwan's Opportunity from International Trends; AI+5G+AIOT+Chromebook's Competitiveness	3	
Director	Yu-Heng Chiao	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	9
		2021/10/06	2021/10/06	Securities and Futures Institute	From Insider Trading to Corporate Social Responsibility	3	
		2021/10/06	2021/10/06	Securities and Futures Institute	ESG in the Corporate Environment and the Impact of Climate Change on Businesses	3	
Director	Andrew Hsia	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	6
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
Director	Wei-Shin Ma	2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Domestic and International Economic Outlook and the Impact of Major Events on the Industry and Its Response; Pricing Strategy & Value Selling	3	9
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Machine Learning - Hardware Design; Biden's Policy and the Impact of Soaring U.S. Bond Rates	3	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	

Title	Name	Date		Organizer	Course Name	Training Hours	
		Start Date	End Date			On this date	Year Total
Representative of Corporate Director	Pei-Ming Chen	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	18
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Domestic and International Economic Outlook and the Impact of Major Events on the Industry and Its Response; Pricing Strategy & Value Selling	3	
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Machine Learning - Hardware Design; Biden's Policy and the Impact of Soaring U.S. Bond Rates	3	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/10/28	2021/10/28	Taiwan Corporate Governance Association	Semiconductor Innovation: Innovation History, Future Trends, Challenges, Opportunities, and Strategies; Impact of the US-China Trade War and the Pandemic on Cross-Strait Trade and Taiwan's Economy	3	
		2021/10/28	2021/10/28	Taiwan Corporate Governance Association	New Generation Communication, Communicating with New Generation; Seeing Taiwan's Opportunity from International Trends; AI+5G+AIOT+Chromebook's Competitiveness	3	
Independent Director	Ming-Ling Hsueh	2021/02/25	2021/02/25	Taiwan Corporate Governance Association	Turning Point in the Strategy of International Centennial Companies; Learn from Centennial Companies about Sustainability	1	31
		2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	
		2021/04/29	2021/04/29	Taiwan Corporate Governance Association	Corporate Governance Blueprint 3.0 and Director Responsibility	3	
		2021/05/04	2021/05/04	Taiwan Securities Association	Anti-Money Laundering and Counter Terrorism Financing Practice and Case Study (including Insider Trading Practice)	3	
		2021/08/03	2021/08/03	Taiwan Securities Association	Information Security Challenges and Countermeasures	3	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/09/07	2021/09/07	Taiwan Securities Association	Sustainable Financial Innovation and Management	3	
		2021/10/05	2021/10/05	Taiwan Securities Association	Introduction and Response of Financial Consumer Protection Act	3	
		2021/10/28	2021/10/28	Taiwan Corporate Governance Association	Practical Operation of Employee Motivation Tools for Listed Companies	3	
		2021/12/22	2021/12/22	Taiwan Corporate Governance Association	Corporate Governance Summit - Implementing ESG for Governance and Sustainable Development	6	
Independent Director	King-Ling Du	2021/02/25	2021/02/25	Securities and Futures Institute	Legal Risk and Response for Directors and Supervisors from Major Corporate Malpractice Cases	3	9
		2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
Independent Director	Shiang-Chung Chen	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	6
		2021/11/05	2021/11/05	Taiwan Investor Relations Institute	Analysis of Information Security and Risk Trends	3	

Title	Name	Date		Organizer	Course Name	Training Hours	
		Start Date	End Date			On this date	Year Total
Independent Director	Fu-Hsiung Hu	2021/02/23	2021/02/23	Securities and Futures Institute	Advanced Seminar on Director and Supervisor Practices - Corporate Mergers and Acquisitions - Focusing on Hostile Mergers and Acquisitions	3	20
		2021/03/22	2021/03/22	Taiwan Corporate Governance Association	Integrity and Fair Treatment of Customers	2	
		2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	
		2021/04/20	2021/04/20	Taiwan Academy of Banking and Finance	Corporate Governance Lecture - Green Energy Innovative Business Model for Corporate Governance	3	
		2021/05/05	2021/05/05	Taiwan Corporate Governance Association	Case Study on Anti-Money Laundering in Banking Industry	1	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/10/22	2021/10/22	Securities and Futures Institute	2021 Annual Legal Compliance Seminar on Insider Stock Transactions	3	
		2021/10/28	2021/10/28	Taiwan Institute of Sustainable Energy	26 th CEO Lecture and Keynote Speech	2	

2. For the attendance of Board meetings by Directors, please refer to " III. Corporate Governance Report. 4. Status of Corporate Governance (1), (2)."

3. Further education in corporate governance participated by the Company's managers (including President, Vice President, Managers of BUs, Accounting head, Finance head, etc.) in 2021:

As of December 31, 2021

Title	Name	Date		Organizer	Course Name	Training Hours	
		Start Date	End Date			On this date	Year total
President & President of Commercial and Real Estate BG	Fred Pan	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	14
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Domestic and International Economic Outlook and the Impact of Major Events on the Industry and Its Response; Pricing Strategy & Value Selling	3	
		2021/04/15	2021/04/15	Taiwan Corporate Governance Association	Machine Learning - Hardware Design; Biden's Policy and the Impact of Soaring U.S. Bond Rates	3	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/10/28	2021/10/28	Taiwan Institute of Sustainable Energy	26 th CEO Lecture and Keynote Speech	2	
Executive Vice President & Head of Finance Department	C.C. Chen	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	6
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
President of Wire & Cable BG	Jin-Renn Leu	2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	3
President of Stainless Steel BG	Kevin Niu	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	3
President of Commodity BG	Josh Chia	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	6
		2021/08/06	2021/08/06	Taiwan Corporate	Study on Important Economic and Trade Issues and	3	

Title	Name	Date		Organizer	Course Name	Training Hours	
		Start Date	End Date			On this date	Year total
				Governance Association	Case Study on Ethical Management		
Head of Corporate Governance	Hueiping Lo	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	25
		2021/07/29	2021/07/29	Taiwan Institute of Sustainable Energy	25 th CEO Lecture and Keynote Speech	2	
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/08/19	2021/08/19	Taiwan Corporate Governance Association	Corporate Governance and Information Disclosure System - On the Important Responsibility of Insiders	3	
		2021/09/01	2021/09/01	Financial Supervisory Commission	The 13 th Taipei Corporate Governance Forum	3	
		2021/10/22	2021/10/22	Securities and Futures Institute	2021 Annual Legal Compliance Presentation on Insider Stock Transactions	3	
		2021/10/28	2021/10/28	Taiwan Institute of Sustainable Energy	26 th CEO Lecture and Keynote Speech	2	
		2021/12/17	2021/12/17	Taiwan Stock Exchange Corporation	2021 Cathay Sustainable Finance and Climate Change Summit	6	
Head of Accounting Department	Richard Wu	2021/04/09	2021/04/09	Taiwan Corporate Governance Association	2021 Global Macro Economic Outlook	3	18
		2021/08/06	2021/08/06	Taiwan Corporate Governance Association	Study on Important Economic and Trade Issues and Case Study on Ethical Management	3	
		2021/10/21	2021/10/22	Accounting Research and Development Foundation	Continuing Education Course for Accounting Supervisors of Issuers, Securities Firms and Stock Exchanges	12	

(10) Implementation Status of Internal Control System

1. Statement on Internal Control

Walsin Lihwa Corporation
Statement on Internal Control System

Date: February 22, 2022

In 2021, the Company conducted an internal examination in accordance with its Internal Control Regulations and hereby declares as follows:

1. The Company is aware that it is the Board's and managers' responsibility to establish, implement and maintain an internal control system, and the Company has set up such a system. The purpose of the system is to ensure the effectiveness and efficiency (including profitability, performance and protection of assets) of the Company's operations, compliance with relevant laws and regulations and that its financial statements are reliable, up to date and easily accessible.
2. Internal control systems have their inherent limitations. No matter how well they are designed, an effective internal control system can only reasonably ensure achievement of the three above objectives. In addition, an internal control system's effectiveness may change as the environment and circumstances change. The internal control system of the Company features a self-monitoring mechanism. Once identified, the Company will take actions to rectify any deficiency.
3. The Company determines whether the design and implementation of its internal control system is effective by referring to the criteria stated in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter the "Regulations"). The Regulations provides measures for judging the effectiveness of the internal control system. There are five components of an internal control system, as specified in the Regulations, which are broken down based on the management-control process, namely: (1) control environment, (2) risk evaluation, (3) control operation, (4) information and communication and (5) monitoring. Each of the elements in turn contains certain audit items. Refer to the Regulations for details.
4. The Company uses the above criteria to determine whether the design and implementation of its internal control system is effective.
5. After an evaluation of the Company's internal control system based on the above criteria, the Company is of the opinion that, as of December 31, 2021, its internal control system (including supervision and management of subsidiaries) is effective and therefore can reasonably ensure achievement of the above objectives, which include awareness of the degree to which operating results and goals are achieved, compliance with the law and that its financial reporting is reliable, up to date and easily accessible.
6. This statement shall become a principal part of the Company's annual report and prospectus and be made available to the public. Any illegal misrepresentation or omission relating to the public statement above is subject to the legal consequences under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
7. This statement has been approved on February 22, 2022 by the Board, with none of the 11 Directors present opposing it.

Walsin Lihwa Corporation

Chairman: Yu-Lon Chiao

President: Fred Pan

2. If CPAs are engaged to review the internal control system, their report shall be disclosed: None.

- (11) Where the Company and its personnel have been penalized according to the law, or the Company has penalized its personnel for having violated its internal control system (and if the result of the penalty is likely to have a material impact on shareholders' interests or the price of securities) as of the day when the annual report was prepared in the most recent year, the contents of such penalty, major deficiencies and corrective actions shall be specified: None.
- (12) In the most recent year, resolutions passed at the AGM and board meetings, as of the day the annual report was prepared.

The Company hosted its 2021 AGM on July 15, 2021 at the 1st Floor Multimedia Conference Room, No.15, Alley 168, Xingshan Road, Neihu District, Taipei City. The following decisions, with implementation details, were made during the meeting:

Matters for Approval and Discussion :

Proposal No. 1

Description:	Acknowledgement of the Company's 2020 Business Report and financial statements.
Resolution:	According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.
Implementation Status:	This was announced as an important resolution on the day of the Shareholders Meeting.

Proposal No. 2

Description:	Acknowledgement of the Company's 2020 Profit Distribution Table.
Resolution:	According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.
Implementation Status:	August 8, 2021 was the ex-dividend record date and the dividends were paid out on August 25, 2021. (Cash dividend of NT\$0.9 was paid per share.)

Proposal No. 3

Description:	Amendments to the Company's Articles of Incorporation.
Resolution:	According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.
Implementation Status:	Changes to the corporate registration were handled in accordance with the law and have been approved by the Ministry of the Economic Affairs on August 12, 2021 via a letter (Ref. No.: Jin-So-Shang-Zi-11001136610), and the revised articles were disclosed on our official website.

Proposal No. 4

Description:	Amendments to the Company's Rules and Procedures of Shareholders' Meetings.
Resolution:	According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.
Implementation Status:	Relevant operations were handled in accordance with the amended procedures and the revised articles were disclosed on our official website.

Proposal No. 5

Description:	Proposal to lift the non-competition ban on directors imposed by Article 209 of the Company Act.
Resolution:	According to the voting result, the number of affirmative votes exceeded the legal threshold, so the proposal was passed.

Implementation This was announced as a piece of material information on the day of the Shareholders' Meeting.
Status:

Important resolutions adopted by 2021 Board meetings as of the day of this annual report

2021/01/22 (5th Meeting of the 19th Term)

Important Proposal to evaluate the annual compensation of the CPAs and the independence and suitability
Resolution: thereof.

Result: Proposal passed.

Important Proposal to approve the loans from Walsin International Investment Co., Ltd. to the Company and
Resolution: its other subsidiaries in a total of US\$682 million and RMB1,127 million.

Result: Proposal passed.

Important The Company intends to acquire additional shares of TECO Electric and Machinery Co., Ltd. ("TECO")
Resolution: for not more than NT\$1.8 billion.

Result: Proposal passed.

Important Proposal to review managers' performance evaluation as well as bonuses and compensation for
Resolution: 2020.

Result: Proposal Passed.

Important Proposal for the distribution of the performance bonus for Chairman and Vice Chairman for 2020.
Resolution:

Result: Proposal Passed.

Recusal: Yu-Lon Chiao and Patricia Chiao

2021/02/26 (6th Meeting of the 19th Term)

Important Distribution of remuneration to directors and employees for 2020.

Resolution:

Result: Proposal passed.

Important Proposal of the 2020 Profit Distribution Table.

Resolution:

Result: Proposal passed.

Important Proposal of the 2020 Internal Control System Statement.

Resolution:

Result: Proposal passed.

Important Amendments to the Company's Articles of Incorporation.

Resolution:

Result: Proposal passed.

Important Amendments to the Company's Shareholder Meeting Regulations.

Resolution:

Result: Proposal passed.

Important Proposal to lift the non-competition ban for the Company's Directors according to Article 209 of the
Resolution: Company Act.

Result: Proposal passed.

Recusal: Yu-Lon Chiao and Wei-Shin Ma

Important Approval for holding the 2021 AGM regularly.

Resolution:

Result: Proposal passed.

Important Proposal to inject a capital of US\$45 million from Walsin Lihwa Holding Co., Ltd. to Walsin
Resolution: International Investment Co., Ltd.

Result:	Proposal passed.
Important Resolution:	Proposal to approve the loan of funds by Walsin International Investment Co., Ltd. and to the Company, in a total amount of US\$45 million.
Result:	Proposal passed.
Important Resolution:	The Company intends to issue domestic secured corporate bonds for the purpose of enhancing its medium- and long-term working capital and strengthening its financial structure.
Result:	Proposal passed.
Important Resolution:	Walsin Lihwa Holding Co., Ltd., a subsidiary of the Company, proposes to transfer all of its shares of Borrego Solar Systems, Inc. to the Company at fair value, and to reduce its capital by the same amount.
Result:	Proposal passed.
Important Resolution:	Walsin Specialty Steel Holding Co., Ltd., a subsidiary of the Company, proposes to transfer all of its shares of Walsin Precision Technology Sdn. Bhd., Inc. to the Company at fair value, and to reduce its capital by the same amount.
Result:	Proposal passed.
Important Resolution:	Jiangying Walsin Steel Cable Co., Ltd., a subsidiary of the Company, proposes to sell all of its real estate to Jiangyin Walsin Specialty Alloy Materials Co., Ltd., a subsidiary of the Company, at a transaction price of RMB62.57 million.
Result:	Proposal passed.

2021/04/09 (7th Meeting of the 19th Term)

Important Resolution:	Amendments to the Company's Articles of Incorporation.
Result:	The language of Article 14-3 and Article 22 was revised, and the rest was adopted as proposed.
Important Resolution:	Amendments to certain provisions of Company's Board of Directors Meeting Regulations.
Result:	Proposal passed.
Important Resolution:	Amendments to certain provisions of the Company's Corporate Governance Best Practice Principles.
Result:	Proposal passed.
Important Resolution:	Amendments to certain provisions of the Company's Procedures for Ethical Management and Guidelines for Conduct.
Result:	Article 10 that provides that donations of NT\$10 million to non-related parties should be submitted to the Board of Directors for resolution was amended, and the rest was adopted as proposed.
Important Resolution:	Amendments to certain provisions of the Company's Standard Operating Procedures for Processing Requests Made by the Directors of the Board.
Result:	Proposal passed.
Important Resolution:	Proposal to update the investment plan for and amount of the hot rolling production line of Yantai Walsin Stainless Steel Co., Ltd.
Result:	Proposal passed.
Important Resolution:	Proposal for Yanshui Plant to invest in and construct the equipment for acid recycling and disposal.
Result:	Proposal passed.

2021/05/07 (8th Meeting of the 19th Term)

Important Resolution:	Proposal to amend the Company's internal control system of financing cycle - internal control principles of stock services.
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Result: Proposal passed.

2021/06/25 (9th Meeting of the 19th Term)

Important Proposal to postpone the 2021 Annual General Meeting of the Company.

Resolution:

Result: Proposal passed.

Important Proposal for Changshu Walsin Specialty Steel Co., Ltd. to invest in and expand the acid-washing production line and equipment.

Resolution:

Result: Proposal passed.

Important Proposal to acquire 100% shareholding in New Hono Investment Pte. Ltd. in order to acquire 42% shareholding in PT Walsin Nickel Industrial Indonesia, one of the Company's subsidiaries.

Resolution:

Result: Proposal passed.

2021/08/06 (10th Meeting of the 19th Term)

Important Proposal to issue domestic unsecured straight corporate bonds to repay borrowings.

Resolution:

Result: Proposal passed.

Important Proposal to obtain medium- and long-term loans from various banks in order to enhance the Resolution: Company's' medium- and long-term working capital and strengthen its financial structure.

Resolution:

Result: Proposal passed.

Important Proposal to approve the loan of funds from Walsin Lihwa (China) Investment Co., Ltd. to Hangzhou Resolution: Walsin Power Cable & Wire, in the amount of RMB 80 million for the period of one year.

Resolution:

Result: Proposal passed.

Important Proposal to approve the loan of funds from the Company to PT Walsin Nickel Industrial Indonesia in Resolution: the form of a US\$250 million non-revolving facility and a US\$70 million revolving facility.

Resolution:

Result: Proposal passed.

Important Proposal to lift the non-competition ban on the Company's managerial officers.

Resolution:

Result: Proposal passed.

Important Amendment to the Company's Rules for Managerial Officers' Performance Evaluation and Resolution: Compensation Management.

Resolution:

Result: Proposal passed.

Important Proposal to establish a Nomination Committee under the Board of Directors, to establish the Resolution: Nomination Committee Charter, and to appoint the members of the Nomination Committee for the first term in accordance with Article 4 of such Charter.

Resolution:

Result: Proposal passed.

2021/11/05 (11th Meeting of the 19th Term)

Important Formulation of the Procedures for Communications between Independent Directors and the Chief

Resolution: Audit Executive.

Result: Proposal passed.

Important Amendment to the Company's Audit Committee Proposal Rules.

Resolution:

Result: Proposal passed.

Important Proposal to amend the Company's internal control system.

Resolution:

Result: Proposal passed.

Important Resolution:	Proposal to update the Company's investment plan and investment amount for the establishment of a low-voltage construction wire and cable production line and a three-dimensional automatic warehouse at the Yangmei Plant.
Result:	Proposal passed.
Important Resolution:	Proposal to update the investment plan and investment amount of Yantai Walsin's cold-refined bar plant.
Result:	Proposal passed.
Important Resolution:	Proposal to apply for opening an escrow account and appoint Oversea-Chinese Banking Corporation Limited as the escrow agent.
Result:	Proposal passed.
Important Resolution:	Proposal to extend the Company's bank borrowing of US\$550 million or its equivalent in New Taiwan Dollars to five years.
Result:	Proposal passed.
Important Resolution:	Proposal to approve the new loan of funds from Walsin Info-Electric Inc. to the Company in the form of a NT\$130 million non-revolving facility.
Result:	Proposal passed.
Important Resolution:	Proposal to establish the Principles of Election of Board Members and Managers and Guidelines for Continuing Education and Succession Planning.
Result:	Proposal passed.

2021/12/13 (12th Meeting of the 19th Term)

Important Resolution:	Proposal to conduct a cash capital increase by issuing new shares.
Result:	Proposal passed.
Important Resolution:	Proposal to approve the loan of funds from Walsin International Investment Co., Ltd. to PT Walsin Nickel Industrial Indonesia in the form of a US\$250 million non-revolving facility.
Result:	Proposal passed.
Important Resolution:	Proposal to provide endorsement and guarantee for PT Walsin Nickel Industrial Indonesia.
Result:	Proposal passed.

2022/01/11 (13th Meeting of the 19th Term)

Important Resolution:	Change of CPA in response to the internal rotation mechanism of the CPA firm, Deloitte & Touche, and evaluation of the annual compensation of the CPA firm and the independence and suitability of the CPA.
Result:	Proposal passed.
Important Resolution:	Proposal to approve the loan of funds by Walsin International Investment Co., Ltd. to the Company and those between the subsidiaries, in a total amount of US\$650 million and RMB1.5 billion respectively.
Result:	The explanatory text was amended as suggested in the summary of the speech by changing the period from February 1, 2022 to January 31, 2023, and the rest was adopted as proposed.
Important Resolution:	Amendment to certain provisions of the Company's Regulations Governing Board Performance Evaluation and relevant schedules thereto.
Result:	Proposal passed.
Important Resolution:	Amendment to the Company's Sustainable Development Practice Principles.
Result:	

Result: As suggested in the summary of the speech, the subject was change from "Corporate Social Responsibility Practice Principles" to "Sustainable Development Practice Principles", and the rest was adopted as proposed.

Important Proposal for the distribution of the performance bonus for Chairman and Vice Chairman for 2021.

Resolution:

Result: Proposal passed.

Recusal: Yu-Lon Chiao and Patricia Chiao

Important Proposal to review managers' performance evaluation as well as bonuses and compensation for

Resolution: 2021.

Result: Proposal passed.

Important Proposal to lift the non-competition ban on the Company's managerial officers.

Resolution:

Result: Proposal passed.

2022/02/22 (14th Meeting of the 19th Term)

Important Distribution of remuneration to directors and employees (including managerial officers) for 2021.

Resolution:

Result: Proposal passed.

Important Proposal of the 2021 Profit Distribution Table.

Resolution:

Result: Proposal passed.

Important Proposal of the 2021 Internal Control System Statement.

Resolution:

Result: Proposal passed.

Important Amendment to the Company's Procedures for the Acquisition and Disposal of Assets.

Resolution:

Result: Proposal passed.

Important Amendments to certain provisions of the Company's Articles of Incorporation.

Resolution:

Result: Proposal passed.

Important Approval for holding the 2022 AGM regularly.

Resolution:

Result: Proposal passed.

Important Proposal to lift the non-competition ban for the Company's Directors according to Article 209 of the

Resolution: Company Act.

Result: Proposal passed.

Recusal: Yu-Heng Chiao, Wei-Shin Ma, and Shiang-Chung Chen

- (13) In the most recent year, as of the day the annual report was prepared, directors held different opinions (on record or with written statement) about important resolutions passed at Board meetings and the major contents are: None.

- (14) In the most recent year, as of the day the annual report was prepared, any of Chairman, President, accounting manager, financial manager, internal audit manager, corporate governance manager and R&D manager resigned or was discharged:

As of March 18, 2022

Title	Name	Date of appointment	Date of dismissal	Reason for resignation or dismissal
Head of Corporate Governance	Sherry Ho	2019/06/12	2021/01/22	Position Adjustment

5. Information on CPAs' fees

CPA Firm	CPA	Audit Period	Audit Fee	Non-Audit Fee	Total	Remarks
Deloitte Taiwan	Wen-Yea Shyu and Kuan-Chung Lai	2021/01/01~ 2021/09/30	NT\$14,410	NT\$19,910	NT\$34,320	1. Change of CPAs due to internal rotation and adjustment of the CPA firm. 2. The non-audit fees were mainly for tax audit, system design, CSR consultation and assurance, cash capital increase, and review opinion of the CPA for the issuance of corporate bonds.
	Wen-Yea Shyu and Ker-Chang Wu	2021/10/01~ 2021/12/31				

- (I) Change of CPA firm and the audit fees paid in the year of the change are less than those paid in the previous year: Not applicable.
- (II) Audit fees paid in the current year are at least 10% less than those paid in the previous year: Not applicable.

6. Information on the replacement of CPAs:

(I) About the previous CPAs:

Date of replacement	January 11, 2022		
Reason for the replacement and explanation	Internal position rotations and changes of Deloitte Taiwan		
Explain whether the appointer terminates or CPA refuses to accept appointment	Contracting parties		Appointer
	Situation	Accountants	Appointer
	Voluntarily terminates appointment	Not applicable.	Not applicable.
	Refuses to accept (continued) appointment	Not applicable.	Not applicable.
Signing an audit report other than without reservation in the most recent two years and the reason	In 2021 and 2020 respectively, the CPAs signed an unmodified opinion with other matter paragraph because the opinion expressed by the CPAs adopted the audit report of other CPAs.		
Do they have opinions different from the issuer?	Yes		Accounting principles or practice
			Disclosure in financial statements
			Audit scope or process
			Other
	None	<input checked="" type="checkbox"/>	
	Description: None.		
Other disclosures	None.		

(II) About the succeeding CPAs:

Name of CPA firm	Deloitte Taiwan
CPA name	Wen-Yea Shyu and Ker-Chang Wu
Date of appointment	January 11, 2022
Before appointment, any consultations and results that may be reported on the accounting methods or principles on specific transactions	None.
Succeeding CPAs' written opinions that are different from those of the previous CPAs	None.

(III) Previous CPAs' letter in reply: Not applicable.

7. Chairman, President, or managers responsible for financial or accounting affairs who worked for the firm to which the certifying CPA belongs or its affiliate in the most recent year: None.

8. Transfer and pledge of shares of the directors, managers and shareholders holding more than 10% of the company's shares

(1) Changes to the shares of the directors, managers and shareholders holding more than 10% of the company's shares:

Title	Name	2021		Current fiscal year up to March 15, 2022	
		No. of shares held Increase (decrease)	Shares pledged Increase (decrease)	No. of shares held Increase (decrease)	Shares pledged Increase (decrease)
Chairman	Yu-Lon Chiao	1,200,000	0	0	0
Vice Chairman	Patricia Chiao	1,200,000	20,000,000	0	0
Director	Yu-Cheng Chiao	1,152,890	0	0	0
Director	Yu-Heng Chiao	870,000	0	0	0
Director	Andrew Hsia	0	0	0	0
Director	Wei-Shin Ma	0	0	0	0
Director	Chin-Xin Investment Co., Ltd.	0	0	0	0
	Representative: Pei- Ming Chen	0	0	0	0
Independent Director	Ming-Ling Hsueh	0	0	0	0
Independent Director	King-Ling Du	0	0	0	0
Independent Director	Shiang-Chung Chen	0	0	0	0
Independent Director	Fu-Hsiung Hu	0	0	0	0
President and Senior General Manager of Real Estate BG	Fred Pan	0	0	0	0
Executive Vice President & Vice President of Finance	C.C. Chen	0	0	0	0
President of Insulated Wire & Cable BG	Jin-Renn Leu	0	0	0	0
President of Stainless Steel BG	Kevin Niu	(20,000)	0	0	0
President of Commodity BG	Josh Chia	0	0	0	0
Head of Corporate Governance	Hueiping Lo	0	0	0	0
Head of Accounting Dept.	Richard Wu	0	0	0	0
Shareholders holding over 10% of outstanding shares	None	-	-	-	-

(2) Information on change in the number of shares retained: None.

(3) Information on Share Pledges: None.

9. Information on relationships amongst the top ten shareholders and their relationships with spouses or relatives within the second degree of kinship

As of March 15, 2022

Name	Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Remarks
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage	Name	Relationship	
LGT Bank (Singapore) Investment Fund under the custody of Business Department, Standard Chartered Bank (Taiwan) Ltd.	251,504,000	7.33%	-	-	-	-	-	-	Note 2
Winbond Electronics Corporation	222,000,000	6.47%	-	-	-	-	Chin-Xin Investment Co., Ltd	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
Representative of Winbond Electronics Corporation : Yu-Cheng Chiao-	40,661,551	1.19%	19,032,428	0.55%	0	0.00%	Chin-Xin Investment Co., Ltd	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	Second degree of kinship with the chairman of	-

As of March 15, 2022

Name	Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Remarks
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage	Name	Relationship	
								the said institutional shareholder	
Chin-Xin Investment Co., Ltd	220,011,000	6.41%					Winbond Electronics Corporation	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
Representative of Chin-Xin Investment Co., Ltd : Yu-Cheng Chiao	40,661,551	1.19%	19,032,428	0.55%			Winbond Electronics Corporation	Its chairman is the same as the chairman of said institutional shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-

As of March 15, 2022

Name	Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Remarks
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage	Name	Relationship	
TECO Electric and Machinery Co., Ltd.	205,332,690	5.98%	-	-	-	-	None	None	-
Rong Jiang Co., Ltd.	148,040,000	4.31%	-	-	-	-	None	None	-
Huali Investment Co., Ltd.	100,000,000	2.91	-	-	-	-	Winbond Electronics Corporation	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Chin-Xin Investment Co., Ltd	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
Huali Investment Co., Ltd. Representative: Yu-Chi Chiao-	51,635,470	1.50%	2,814,471	0.08%	-	-	Winbond Electronics Corporation	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Chin-Xin Investment Co., Ltd	Its chairman is a second-degree relative of the chairman of said institutional shareholder	-
							Patricia Chiao	She is a second-degree relative of the chairman of said institutional shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of the chairman of said institutional shareholder	-
Patricia Chiao	93,169,006	2.72%	-	-	-	-	Winbond Electronics Corporation	Its chairman is a second-degree relative of said shareholder	-

As of March 15, 2022

Name	Shares Held Themselves		Shares Held by Spouse and Underage Children		Shares Held Under Name of Others		Name and relationships of related parties to top ten shareholders (spouse and relatives within the second degree) (Note 1)		Remarks
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage	Name	Relationship	
							Chin-Xin Investment Co., Ltd	Its chairman is a second-degree relative of said shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of said shareholder	-
							Yu-Heng Chiao	He is a second-degree relative of said shareholder	-
Investment Account of Banque Pictet & CIE SA under the custody of HSBC	62,001,000	1.81%	-	-	-	-	-	-	Note 2
Yu-Heng Chiao	61,072,197	1.78%	10,274,952	0.30%	-	-	Winbond Electronics Corporation	Its chairman is a second-degree relative of said shareholder	-
							Chin-Xin Investment Co., Ltd	Its chairman is a second-degree relative of said shareholder	-
							Huali Investment Co., Ltd.	Its chairman is a second-degree relative of said shareholder	-
							Patricia Chiao	He is a second-degree relative of said shareholder	-
Norges Bank Investment Fund under the custody of Citibank, Taipei Branch	52,313,360	1.52%	-	-	-	-	-	-	Note 2

Note 1: Disclosure of relationship pursuant to rules indicated on the issuer's financial statement.

Note 2: The shareholder was a foreign fund account and inquiries have been made of its representative with relevant information requested: None.

Note 3: The shareholding ratios are rounded to the nearest hundredth percent.

10. The number of shares of the same investee held by the Company, its directors, managers and which the Company controls directly or indirectly, with the aggregate shareholding percentages

As of December 31, 2021; Units: Shares; %

Re-Investment Companies (Note)	Investment by the Company		Investment of directors, managers or enterprises under their direct or indirect control.		Combined Investment	
	Number of shares	Percentag e	Number of shares	Percentage	Number of shares	Percentage
Walsin Lihwa Holdings Limited	473,730,393	100.00	-	-	473,730,393	100.00
Walsin Specialty Steel Corp.	317,505,180	100.00	-	-	317,505,180	100.00
Ace Result Global Limited	44,739,988	100.00	-	-	44,739,988	100.00
Min Maw Precision Industry Corp.	29,995,859	100.00	-	-	29,995,859	100.00
Hua Tuo Green Resources Co., Ltd.	1,000,000	100.00	-	-	1,000,000	100.00
Walsin Precision Technology Sdn. Bhd.	32,178,385	100.00	-	-	32,178,385	100.00
New Hono Investment Pte. Ltd.	42,000,000	100.00	-	-	42,000,000	100.00
Chin-Cherng Construction Co.	577,583,403	99.22	-	-	577,583,403	99.22
Walsin Info-Electric Corp.	29,854,246	99.51	-	-	29,854,246	99.51
PT. Walsin Nickel Industrial Indonesia	500,000	50.00	420,000	42.00	920,000	92.00
PT. Walsin Lippo Industries	10,500	70.00	-	-	10,500	70.00
PT. Walsin Lippo Kabel	1,050,000	70.00	-	-	1,050,000	70.00
Joint Success Enterprises Limited	36,058,184	49.05	37,461,816	59.05	73,520,000	100.00
Chin-Xin Investment Co., Ltd	179,468,270	37.00	49,327,824	10.16	228,796,094	47.16
Walsin Color Corporation	49,831,505	33.97	12,070,677	8.23	61,902,182	42.20
Han-You Venture Capital Co., Ltd.	26,670,699	26.67	1,934,486	1.94	28,605,185	28.61
Winbond Electronics Corporation	883,848,423	22.21	374,044,285	9.40	1,257,892,708	31.61
Walton Advanced Engineering, Inc.	109,628,376	21.01	13,298,805	2.55	122,927,181	23.56
Walsin Technology Corporation	88,902,325	18.30	16,719,526	3.44	105,621,851	21.74
Powertec Electronic Chemical Material Corp.	318,522,792	22.46	15,880,540	1.12	334,403,332	23.58

Note: Equity method used.