

## Communication between Walsin Lihwa’s Independent Directors and Chief Audit Executive in 2020

### I. Policy for communication between Walsin Lihwa’s Independent Directors and Chief Audit Executive

- a. The chief audit executive and independent directors shall, through the Audit Committee, convene at least once quarterly to report how internal audit and control at the company are implemented. They may call ad hoc meetings anytime if any major abnormality or irregularity is identified.
- b. In addition to what is dealt with at the aforementioned regular meetings, the Audit Committee convener and the chief audit executive shall discuss how internal control at the company is implemented on an as-needed basis quarterly.

### II. Summary of communication between Independent Directors and Chief Audit Executive

Date	Key Points of Communication	Independent Directors’ Advices	Follow-ups and Results
January 8, 2020, Audit Committee	The chief audit executive’s report to independent directors on the status of communication between independent directors and the chief audit executive in 2019	Nil	Disclosure of the statuses of communication between independent directors and the chief audit executive in 2019 on the company’s website
February 17, 2020 Audit Committee	<ol style="list-style-type: none"> <li>1. Report on audit implementation in the 4<sup>th</sup> quarter of 2019</li> <li>2. Risks management policy and procedure reviews on a regular basis</li> </ol>	<ol style="list-style-type: none"> <li>1. Compliance and any violation to be factored in performance assessment of relevant department in-charges, with relevant disciplinary actions taken accordingly in case of any repeated and/or severe violation</li> <li>2. Communication of business integrity with suppliers on a regular basis and job rotation implementation</li> <li>3. Risks management to be incorporated into audit planning with the annual audit report submitted to the Audit Committee and board of directors</li> </ol>	<ol style="list-style-type: none"> <li>1. Any violation found by internal auditors factored in performance assessment of individual department in-charges with necessary disciplinary actions taken accordingly</li> <li>2. Annual planning developed by the Business Integrity Center to continue promoting business integrity to suppliers and avoidance of vested interests associated with susceptible jobs</li> <li>3. Incorporation of risks assessment results into annual audit planning to be reported to the board of directors</li> </ol>
February 27, 2020 Audit Committee	Change of the chief audit executive	Nil	Change of the chief audit executive passed by the Audit Committee and submitted to the board of directors for approval

Date	Key Points of Communication	Independent Directors' Advices	Follow-ups and Results
April 30, 2020 Audit Committee	Report on audit implementation in the 1st quarter of 2020	Nil	Report on audit implementation in the 1st quarter of 2020 passed by the Audit Committee and submitted to the board for reporting
July 27, 2020 Audit Committee	Report on audit implementation in the 2nd quarter of 2020	<ol style="list-style-type: none"> <li>1. Requirement for effective adherence to SOP</li> <li>2. Reinforcement of labor safety management throughout plant sites</li> </ol>	<ol style="list-style-type: none"> <li>1. Effective inspection of potential safety hazards on a regular basis followed up by ongoing improvement</li> <li>2. Stipulation of accountability as well as relevant penalties for non-compliance</li> <li>3. Establishment of the consciousness of labor safety disciplines among all employees</li> </ol>
October 27, 2020 Audit Committee	<ol style="list-style-type: none"> <li>1. Report on audit implementation in the 3rd quarter of 2020</li> <li>2. Discussion of the 2021 annual audit plan</li> <li>3. Revision of Guidelines for Suggestions and Complaints by Stakeholders</li> </ol>	<ol style="list-style-type: none"> <li>1. Nil</li> <li>2. Nil</li> <li>3. Nil</li> </ol>	<ol style="list-style-type: none"> <li>1. Report on audit implementation in the 3rd quarter of 2020 passed by the Audit Committee and submitted to the board for reporting</li> <li>2. The 2021 annual audit plan passed by the Audit Committee and submitted to the board for discussion</li> <li>3. Guidelines for Suggestions and Complaints by Stakeholders passed by the Audit Committee and submitted to the board for discussion</li> </ol>