

Report on Communication with Stakeholders in 2019



Key Issues Stakeholders Were Concerned with in 2019

■ Basis

Pursuant to the 4.14 requirement as prescribed in the government's 2019 Corporate Governance Evaluation Indicators as well as a recommendation made by the company in 2018 for external evaluation of board performance, stakeholder activities and the key issues they were concerned with in 2019 were gathered on a regular basis and reported to the board of directors for timely information and responses.

■ Period: January to October 2019

■ Information Sources:

- (1) Internal audit mailbox
- (2) Investors and shareholders
- (3) Employees
- (4) News media
- (5) Customers and suppliers

Key Issues

Sources	Number of Issues	Key Issues	Follow-up and Improvement
Internal audit mailbox	13	Employee management and dispute resolution (6)	(1) Ongoing improvement (5) Case closed
		Fraudulence and breach of integrity (3)	(1) Judicial investigation in process (2) Case closed
		Information security management (4)	(1) Ongoing improvement (2) Case closed
		Others (1)	Case closed
Investors and shareholders	7	Investment of Powertec Energy Corp.	Continued follow-up
		Yantai Walsin Stainless Steel investment effectiveness	
		Schedule for recognition of Walsin (Nanjing)	
		Development earnings	
		Share repurchase recommendation	
		Sino-US trade dispute	
		Mainland China's anti-dumping tax on Indonesia	
		Raw material price fluctuation	

Key Issues

Sources	Number of Issues	Key Issues	Follow-up and Improvement
Employees	11	Employee Welfare Committee (2)	Case closed
		Work environment improvement (6)	(1)Ongoing improvement (5) Case closed
		Labor relations and employee work rules (3)	(2) Ongoing improvement (1) Case closed
Media	2	Information security management (1)	Continued follow-up
		Share price levels (1)	
Customers and suppliers	4	Responsibilities for products and quality	Continued follow-up (Based on 112 valid questionnaires; open-ended questions to be raised next year to help gather more substantial issues stakeholders are concerned with)
		Customer relations	
		Legal compliance	
		Supplier management	